99TH CONGRESS
1st Session

SENATE

REPORT
99-118

DEPARTMENT OF DEFENSE AUTHORIZATION ACT, 1986

THE COMMITTEE OF CONFERENCE

SUBMITTED THE FOLLOWING

CONFERENCE REPORT

[To accompany S. 1160]

JULY 29 (legislative day, JULY 16), 1985.—Ordered to be printed

U.S. GOVERNMENT PRINTING OFFICE
50-552 O
WASHINGTON : 1985

S 203-4

99TH CONGRESS
1st Session

SENATE

REPORT
99-118

DEPARTMENT OF DEFENSE AUTHORIZATION ACT, 1986

JULY 29 (legislative day, JULY 16), 1985.—Ordered to be printed

Mr. GOLDWATER, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany S. 1160]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1160) to authorize appropriations for the military functions of the Department of Defense and to prescribe personnel levels for the Department of Defense for fiscal year 1986, to authorize certain construction at military installations for such fiscal year, to authorize appropriations for the Department of Energy for national security programs for such fiscal year, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS

(a) SHORT TITLE.—This Act may be cited as the "Department of Defense Authorization Act, 1986".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—PROCUREMENT

PART A—FUNDING AUTHORIZATIONS

Sec. 101. Army.
Sec. 102. Navy and Marine Corps.
Sec. 103. Air Force.
Sec. 104. Reserve components.
Sec. 105. Defense Agencies.
Sec. 106. NATO cooperative programs.

50-552 O

Sec. 107. Reductions in authorizations due to savings from lower inflation and prior-year cost savings.
Sec. 108. Provisions relating to transfers of prior-year funds.
Sec. 109. Report on reductions and transfers.
Sec. 110. Improvement in conventional readiness capability.

PART B—ARMY PROGRAM LIMITATIONS

Sec. 121. Sergeant York Division Air Defense (DIVAD) gun.
Sec. 122. Bradley fighting vehicle.
Sec. 123. Conditions on procurement of certain combat vehicles.
Sec. 124. Sale of L119 howitzers overseas.
Sec. 125. Restrictions on purchase of 5-ton trucks.
Sec. 126. Other Army programs.

PART C—NAVY PROGRAM LIMITATIONS

Sec. 131. A6 aircraft rewing program.
Sec. 132. Limitations on Navy aircraft procurement.

PART D—AIR FORCE PROGRAM LIMITATIONS

Sec. 141. MX missile program.
Sec. 142. Competition for Air Force fighter aircraft procurement.
Sec. 143. Advanced technology bomber.
Sec. 144. Special operations forces HH-53 helicopters.

PART E—OTHER LIMITATIONS

Sec. 151. C-12 aircraft.
Sec. 152. Adequate airlift for special operations forces.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

PART A—AUTHORIZATIONS OF APPROPRIATIONS AND PROGRAM LIMITATIONS

Sec. 201. Authorization of appropriations.
Sec. 202. Reductions in authorizations due to savings from lower inflation and prior-year cost savings.
Sec. 203. Authorization of transfers of prior-year funds.
Sec. 204. Limitations on funds for the Army.
Sec. 205. Limitations on funds for the Navy (including the Marine Corps).
Sec. 206. Limitations on funds for the Air Force.
Sec. 207. Limitations on funds for the Defense Agencies.
Sec. 208. Testing of antisatellite weapons and space survivability program.
Sec. 209. Small intercontinental ballistic missile program.
Sec. 210. Advanced Medium-Range Air-to-Air Missile (AMRAAM) system.
Sec. 211. High-speed Anti-Radiation Missile (HARM) program.

PART B—STRATEGIC DEFENSE INITIATIVE

Sec. 221. Funding for fiscal year 1986.
Sec. 222. Requirement for specific authorization for deployment of Strategic Defense Initiative system.
Sec. 223. Reports on Strategic Defense Initiative.
Sec. 224. Congressional policy regarding consultation with other members of NATO on the Strategic Defense Initiative.
Sec. 225. Congressional expression on the Strategic Defense Initiative and the ABM Treaty.
Sec. 226. Report on strategic and theater ballistic missile defenses.

TITLE III—OPERATION AND MAINTENANCE

Sec. 301. Authorization of appropriations.
Sec. 302. Authorization of appropriations for working-capital funds.
Sec. 303. Limitation on the use of O&M funds to purchase investment items.
Sec. 304. Assistance for the Tenth International Pan American Games.
Sec. 305. Authorization of appropriations for transportation of humanitarian relief supplies to Afghan refugees.
Sec. 306. Extension and expansion of authority of the Secretary of Defense to transport humanitarian relief supplies to certain countries.
Sec. 307. Limitation concerning Air National Guard and Air Force Reserve flying units.

Sec. 308. Commissary and exchange privileges for survivors of certain reservists.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Part A—Active Forces

Sec. 401. Authorization of end strengths.
Sec. 402. Extension of quality control on enlistments into the Army.

Part B—Reserve Forces

Sec. 411. Authorization of average strengths for Selected Reserve.
Sec. 412. Authorization of end strengths for Reserves on active duty in support of the reserve components.
Sec. 413. Increase in number of certain personnel authorized to be on active duty in support of the reserve components.

Part C—Military Training

Sec. 421. Authorization of training student loads.

TITLE V—DEFENSE PERSONNEL POLICY

Part A—Civilian Personnel

Sec. 501. Waiver of civilian personnel ceilings for fiscal year 1986.
Sec. 502. Prohibition on managing civilian personnel by end-strengths during fiscal year 1986.
Sec. 503. Exercise of certain authorities relating to civilian employees of the Department of Defense.
Sec. 504. Modification and study of Department of Defense civilian personnel classification and pay systems.

Part B—Active Military Personnel

Sec. 511. Adjustment in Marine Corps officer grade table.
Sec. 512. Service agreements of cadets and midshipmen.
Sec. 513. Transfers to and from temporary disability retired list.
Sec. 514. Change in title of grade of commodore to rear admiral (lower half).
Sec. 515. Temporary increase in the number of general and flag officers authorized to be on active duty in three- and four-star grades.
Sec. 516. Grade of retired regular members recalled to active duty.

Part C—Reserve Military Personnel

Sec. 521. Extension of certain reserve officer management programs.
Sec. 522. Retention until age 60 of reserve civilian technicians.
Sec. 523. Authority to retain in active status until age 62 up to 10 Army reserve major generals.
Sec. 524. Requirement of muster test of Army Individual Ready Reserve.

Part D—Miscellaneous

Sec. 531. Appointments of warrant officers.
Sec. 532. Prisoner-of-war medal.
Sec. 533. Clarification of precedence of the award of the purple heart.
Sec. 534. Espionage under the UCMJ.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Part A—Basic Pay and Allowances

Sec. 601. Military pay raise for fiscal year 1986.
Sec. 602. Adjustments in variable housing allowance program.
Sec. 603. Payment of variable housing allowance in Alaska and Hawaii.
Sec. 604. Authority to pay BAQ and VHA in advance.
Sec. 605. Eligibility for basic allowance for quarters.
Sec. 606. Reimbursement for accommodations in place of quarters.
Sec. 607. Increase in family separation allowance.

Part B—Travel and Transportation

Sec. 611. Increase in dislocation allowance.
Sec. 612. Revision of travel and transportation allowances.
Sec. 613. Temporary lodging expenses.

Sec. 614. Allowances for transportation of baggage and household effects.
Sec. 615. Travel allowance for travel performed in connection with certain leave.
Sec. 616. Travel during ship overhaul.
Sec. 617. Definition of residence of a student dependent.
Sec. 618. Extension of test program for flat rate per diem system.
Sec. 619. Travel and transportation allowances for travel within the administrative limits of a member's duty station.
Sec. 620. Transportation allowances for survivors of deceased member to attend burial ceremonies of deceased member.

PART C—BONUSES AND SPECIAL AND INCENTIVE PAYS

SUBPART 1—ACTIVE FORCES

Sec. 631. Lump-sum payments of selective reenlistment bonuses.
Sec. 632. Special pay for nuclear officers.
Sec. 633. Incentive pay for submarine duty.
Sec. 634. Career sea pay.
Sec. 635. Incentive pay for hazardous duty.
Sec. 636. Extension of aviation officer continuation pay.
Sec. 637. Change in definition of engineering and scientific duty.
Sec. 638. Incentive pay for duty subject to hostile fire.
Sec. 639. Revision of special pay for dental officers.
Sec. 640. Special pay for medical officers.
Sec. 641. Special pay for qualified enlisted members extending duty at certain locations overseas.

SUBPART 2—RESERVE FORCES

Sec. 642. Selected Reserve enlistment bonus.
Sec. 643. Selected Reserve reenlistment bonus.
Sec. 644. Selected Reserve enlistment bonus for prior-service personnel.
Sec. 645. Selected Reserve affiliation bonus.
Sec. 646. Individual Ready Reserve bonuses.
Sec. 647. Selected Reserve hazardous-duty incentive pay.

PART D—HEALTH-CARE MATTERS

Sec. 651. CHAMPUS dental care for active-duty dependents.
Sec. 652. Enhanced health-care benefits for survivors of certain reservists.
Sec. 653. Licensure requirement for defense health-care professionals.
Sec. 654. Study of medical casualty investigations.

PART E—MILITARY RETIREMENT

Sec. 666. Limitation on amounts available for obligation for basic pay and for retired pay accrual charge.
Sec. 667. Legislative proposal to amend military retirement system for new entrants.

PART F—EDUCATIONAL ASSISTANCE PROGRAM

Sec. 671. Department of Defense educational loan repayment programs.
Sec. 672. Specialized training assistance in the health profession for members of reserve components.
Sec. 673. Right of members of naval service to transfer certain educational entitlement to spouse or dependent children.
Sec. 674. Changes in eligibility requirements for the all-volunteer force educational assistance program.

PART G—MISCELLANEOUS

Sec. 681. Legal representation of civilians overseas.
Sec. 682. Accrued leave.
Sec. 683. Pay allotments for Navy and Marine Corps.
Sec. 684. Extension to PHS and NOAA of authority to collect debts from pay of members.
Sec. 685. Surcharge for sales at animal disease prevention and control centers.

TITLE VII—SURVIVOR BENEFIT PLAN IMPROVEMENTS

Sec. 701. Short title.

PART A—GENERAL PROGRAM CHANGES

Sec. 711. Establishment of two-tier benefit system and elimination of social security offset.
Sec. 712. SBP coverage for members who die after 20 years of service.
Sec. 713. Annuity for survivors of certain retirement-eligible reservists.
Sec. 714. Indexing of threshold amount for calculation of reduction of retired pay.
Sec. 715. SBP coverage upon remarriage.
Sec. 716. Option to cover both a former spouse and dependent children of a member.
Sec. 717. Authority to repay refunded SBP deductions in installments.
Sec. 718. Effective date of DIC offset.
Sec. 719. Technical amendments to SBP statute.

PART B—PROVISIONS RELATING TO RIGHTS FOR SPOUSES AND FORMER SPOUSES

Sec. 721. Spousal concurrence for elections.
Sec. 722. Clarification of status of spousal agreements.
Sec. 723. Former spouse coverage to be provided in spouse category rather than insurable interest category.
Sec. 724. Notice of elections available.

PART C—EFFECTIVE DATE AND REPORT

Sec. 731. Effective date.
Sec. 732. Report on establishing needs-based survivor benefit annuity program for surviving spouses of certain retired reservists.

TITLE VIII—MILITARY FAMILY POLICY AND PROGRAMS

Sec. 801. Short title.
Sec. 802. Office of Family Policy.
Sec. 803. Transfer of Military Family Resource Center.
Sec. 804. Surveys of military families.
Sec. 805. Family members serving on advisory committees.
Sec. 806. Employment opportunities for military spouses.
Sec. 807. Youth sponsorship program.
Sec. 808. Dependent student travel within the United States.
Sec. 809. Relocation and housing.
Sec. 810. Food programs.
Sec. 811. Reporting of child abuse.
Sec. 812. Miscellaneous reporting requirements.
Sec. 813. Effective date.

TITLE IX—PROCUREMENT POLICY REFORM AND OTHER PROCUREMENT MATTERS

Sec. 901. Short title.

PART A—PROGRAM MANAGEMENT MATTERS

Sec. 911. Regulations relating to allowable costs.
Sec. 912. Multiple sources for major defense acquisition programs.
Sec. 913. Minimum percentage of competitive procurements.
Sec. 914. Regulations to control prices that may be paid for spare parts.
Sec. 915. Should-cost analyses.
Sec. 916. Limitations on progress payments.
Sec. 917. Cost and price management in defense procurement.
Sec. 918. Contracted advisory and assistance services.
Sec. 919. Revision and extension of procurement technical assistance cooperative agreement program.

PART B—PROCUREMENT PERSONNEL MATTERS

Sec. 921. Post-Government-Service employment bars on senior defense officials.
Sec. 922. Improved reporting and disclosure for former employees of the Department of Defense; prevention of conflicts of interest.
Sec. 923. Requirements relating to private employment contacts between certain Department of Defense procurement officials and defense contractors.
Sec. 924. Management of Department of Defense procurement personnel.
Sec. 925. Assignment of principal contracting officers.

PART C—FALSE CLAIMS, DEBARMENT, BURDEN OF PROOF, AND RELATED MATTERS

Sec. 931. Increased penalties for false claims in defense procurement.
Sec. 932. Prohibition on felons convicted of defense-contract-related felonies and penalty on employment of such persons by defense contractors.
Sec. 933. Burden of proof in Government contract dispute resolution.
Sec. 934. Reimbursement, interest charges, and penalties for overpayments.
Sec. 935. Subpoenas of defense contractor records.

PART D—REPORTS

Sec. 951. Report on prohibition on including general and administrative overhead expenses in the computation of contractor profits.
Sec. 952. Report on use of independent cost estimates for major defense acquisition programs.
Sec. 953. GAO study of feasibility of civilian defense acquisition agency.
Sec. 954. Report on suspension and debarment of defense contractors.
Sec. 955. Report on the use of competition under section 8(a) set-aside program.
Sec. 956. Report on efforts to increase defense contract awards to Indian-owned business.

PART E—TECHNICAL AMENDMENTS

Sec. 961. Technical corrections to Federal procurement law.

TITLE X—MATTERS RELATING TO ARMS CONTROL

Sec. 1001. Policy on compliance with existing strategic offensive arms agreements.
Sec. 1002. Annual report on Soviet compliance with arms control commitments.
Sec. 1003. Study of arms control verification capabilities.
Sec. 1004. Sense of Congress relating to United States-Soviet negotiations on reduction in nuclear arms.
Sec. 1005. Pilot program for exchange of certain high-ranking military and civilian personnel with the Soviet Union.
Sec. 1006. Report on nuclear winter findings and policy implications.

TITLE XI—MATTERS RELATING TO NATO

Sec. 1101. Limited authority to exceed permanent ceiling on United States forces assigned to NATO.
Sec. 1102. North Atlantic Treaty Organization cooperative projects.
Sec. 1103. NATO cooperative research and development.

TITLE XII—DEPARTMENT OF DEFENSE MANAGEMENT

PART A—MANAGEMENT OF FACILITIES AND DOD ORGANIZATION

Sec. 1201. Annual Selected Acquisition Reports.
Sec. 1202. Base closures and realignments.
Sec. 1203. Demonstration project to test the use of a certain computer system in military hospitals.
Sec. 1204. Continued operation by the Secretary of Defense of the Defense Dependents' education system.
Sec. 1205. Authority to enroll certain children in overseas schools of the Defense Dependents' education system.
Sec. 1206. Limitation on size of headquarters staffs.
Sec. 1207. Report on organizational structure of the military health-care delivery system.
Sec. 1208. Annual report on Guard and Reserve equipment.
Sec. 1209. Moratorium on franchise agreements by military exchange services.
Sec. 1210. Priority for Air Force Shuttle Operations and Planning Complex.
Sec. 1211. Provision of uranium tetrafluoride to contractors for production of conventional ammunition.
Sec. 1212. Prohibition of certain restrictions on institutions eligible to provide educational services.

PART B—PERSONNEL MANAGEMENT

Sec. 1221. Counterintelligence polygraph program.
Sec. 1222. Reduction in security clearance backlog.
Sec. 1223. Authority for independent criminal investigations by Navy and Air Force investigative units.

Sec. 1224. Establishment of minimum drinking age on military installations.
Sec. 1225. Cash awards for disclosures leading to cost savings.

PART C—CONTRACTING-OUT FOR PERFORMANCE OF CERTAIN FUNCTIONS

Sec. 1231. Specification of core-logistics functions subject to contracting-out limitation.
Sec. 1232. One-year extension of prohibition on contracting for the performance of firefighting and security functions.
Sec. 1233. Services and activities to be performed by non-Government personnel.
Sec. 1234. Increase in thresholds applicable to statutory contracting-out procedures.

PART D—ECONOMY AND EFFICIENCY

Sec. 1241. Flextime for Federal contractor employees.
Sec. 1242. Prohibition on establishment of pay rates for prevailing rate employees of the Department of Defense using surveys of wages paid outside the local wage area.

TITLE XIII—TECHNICAL AND CLERICAL AMENDMENTS

Sec. 1301. Elimination of certain statutory gender-based distinctions.
Sec. 1302. Technical amendments relating to benefits for certain DIA personnel.
Sec. 1303. General clerical amendments.
Sec. 1304. Clerical amendments to Federal procurement law.

TITLE XIV—GENERAL PROVISIONS

PART A—FINANCIAL MATTERS

Sec. 1401. Transfer authority.
Sec. 1402. Authorization of transfers for FY85 pay supplemental.
Sec. 1403. Special Defense Acquisition Fund.
Sec. 1404. Revisions to defense budget plan.
Sec. 1405. Two-year budget cycle for the Department of Defense.
Sec. 1406. Report on budgeting for inflation.
Sec. 1407. Report of unobligated balances.
Sec. 1408. Authorization of appropriations for purchase of foreign currencies.

PART B—CHEMICAL WEAPONS

Sec. 1411. Conditions on spending funds for binary chemical munitions.
Sec. 1412. Destruction of existing stockpile of lethal chemical agents and munitions.
Sec. 1413. Report concerning the testing of chemical warfare agents.

PART C—DRUG INTERDICTION, LAW ENFORCEMENT, AND OTHER SPECIFIC PROGRAMS

Sec. 1421. Enhanced drug-interdiction assistance.
Sec. 1422. Establishment, operation, and maintenance of drug law enforcement assistance organizations of the Department of Defense.
Sec. 1423. Military cooperation information programs for civilian law enforcement officials.
Sec. 1424. Study on the use of the E-2 aircraft for drug interdiction purposes.
Sec. 1425. Strategic bomber programs.
Sec. 1426. Restrictions on certain nuclear programs.

PART D—MISCELLANEOUS REPORTING REQUIREMENTS

Sec. 1431. Extension of time for submission of reports by Commission on Merchant Marine and Defense.
Sec. 1432. Report on naval shipbuilding and repair base.
Sec. 1433. Nuclear reactor components for SSN-21 class submarines.
Sec. 1434. Aircraft fuel conservation report.
Sec. 1435. Report concerning Poseidon-class submarine.
Sec. 1436. Report and demonstration project concerning the sale of certain United States meat in military commissaries overseas.
Sec. 1437. Report on retention of basic point defense missile system.
Sec. 1438. Report on retirement benefits of Philippine scouts.
Sec. 1439. Report on death penalty for espionage.
Sec. 1440. Report on impact of foreign exports on the defense industrial base of the United States.
Sec. 1441. Sense of Congress regarding the firing of tactical missiles for training purposes.

Sec. 1442. Report on feasibility of drug testing of prospective recruits.

PART E—MISCELLANEOUS PROVISIONS

Sec. 1451. Sense of Congress on introduction of Armed Forces into Nicaragua for combat.
Sec. 1452. Sense of Congress concerning protection of United States military personnel against terrorism.
Sec. 1453. Readiness of special operations forces.
Sec. 1454. Authority to provide excess personal property for humanitarian purposes.
Sec. 1455. Encouragement of construction in United States shipyards of combatant vessels for United States allies.
Sec. 1456. Defense industrial base for textile and apparel products.
Sec. 1457. Encouragement of technology transfer.
Sec. 1458. Civil air patrol.
Sec. 1459. National Science Center for Communications and Electronics.
Sec. 1460. Donations by commissary stores of certain unmarketable food.
Sec. 1461. Limitation on gratuities at naval shipbuilding ceremonies.
Sec. 1462. Authority to transfer certain aircraft.
Sec. 1463. Authority to lease Air Force helicopters to the State of California.
Sec. 1464. Sense of Congress concerning establishment of travel offices or acquisition of travel services.
Sec. 1465. American stage equipment for United States patriotic events.
Sec. 1466. Sale of certain recordings of United States Air Force Band.

TITLE XV—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

Sec. 1501. Short title.

PART A—NATIONAL SECURITY PROGRAMS AUTHORIZATIONS

Sec. 1511. Operating expenses.
Sec. 1512. Plant and capital equipment.

PART B—RECURRING GENERAL PROVISIONS

Sec. 1521. Reprogramming.
Sec. 1522. Limits on general plant projects.
Sec. 1523. Limits on construction projects.
Sec. 1524. Fund transfer authority.
Sec. 1525. Authority for construction design.
Sec. 1526. Authority for emergency construction design.
Sec. 1527. Funds available for all national security programs of the Department of Energy.
Sec. 1528. Adjustments for pay increases.
Sec. 1529. Availability of funds.

PART C—PROGRAM REVISIONS AND MISCELLANEOUS PROVISIONS

Sec. 1531. General reduction.
Sec. 1532. Community assistance payments.
Sec. 1533. Improvements to Department of Energy building at Oak Ridge, Tennessee.
Sec. 1534. Costs not allowed under covered contracts.
Sec. 1535. Technical amendments.

TITLE XVI—OTHER GENERAL PROVISIONS

PART A—CIVIL DEFENSE

Sec. 1601. Authorization of appropriations.

PART B—NATIONAL DEFENSE STOCKPILE

Sec. 1611. Funding for National Defense Stockpile.
Sec. 1612. Prohibition of reductions in stockpile goals.
Sec. 1613. Study of loss of production capacity of critical ferroalloy products.

PART C—OTHER PROVISIONS

Sec. 1621. Sense of the Congress expressing support for the Selective Service registration program.
Sec. 1622. Prohibition on civil service employment of persons who fail to register under the Military Selective Service Act.

Sec. 1623. Authority to provide Coast Guard commandant residence-to-work transportation provided other service chiefs.
Sec. 1624. Acceptance of certain volunteer services.
Sec. 1625. Authority to exempt certain physicians at Soldiers' and Airmen's Home from reductions in retired pay.
Sec. 1626. Management of military records maintained by the National Archives and Records Administration.
Sec. 1627. Robert C. Byrd Honors Scholarship program.
Sec. 1628. Postage stamp commemorating the 350th anniversary of the establishment of the United States National Guard.

TITLE I—PROCUREMENT

PART A—FUNDING AUTHORIZATIONS

SEC. 101. ARMY

(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated for fiscal year 1986 for procurement for the Army as follows:

(1) For aircraft, $3,676,100,000.

(2) For missiles, $3,272,700,000.

(3) For weapons and tracked combat vehicles, $5,211,000,000.

(4) For ammunition, $2,549,000,000.

(5) For other procurement, $5,323,500,000, of which—

(A) $1,002,700,000 is for tactical and support vehicles;

(B) $3,131,300,000 is for communications and electronics equipment;

(C) $1,307,400,000 is for other support equipment; and

(D) $105,300,000 is for non-centrally managed items.

(b) AUTHORIZATION OF TRANSFERS OF PRIOR-YEAR FUNDS.—There are hereby authorized to be transferred to, and merged with, amounts appropriated for procurement for the Army for fiscal year 1986 pursuant to the authorization of appropriations in subsection (a) the following amounts:

(1) AIRCRAFT.—$101,800,000 for procurement of aircraft, to be derived from amounts appropriated for fiscal year 1985 for procurement of aircraft for the Army.

(2) MISSILES.—$25,000,000 for procurement of missiles, to be derived from amounts appropriated for fiscal year 1985 for procurement of missiles for the Army.

(3) WEAPONS AND TRACKED COMBAT VEHICLES.—$117,900,000 for procurement of weapons and tracked combat vehicles, of which—

(A) $52,600,000 shall be derived from amounts appropriated for fiscal year 1984 for procurement of weapons and tracked combat vehicles for the Army;

(B) $40,000,000 shall be derived from amounts appropriated for fiscal year 1985 for procurement of weapons and tracked combat vehicles for the Army;

(C) $25,300,000 shall be derived from amounts available for fiscal year 1985 for procurement of weapons and tracked combat vehicles for the Army resulting from the sale of M48A5 tanks under a letter of offer issued pursuant to section 21(a)(1) of the Arms Export Control Act;

(4) AMMUNITION.—$140,000,000 for procurement of ammunition, of which—

(A) $30,000,000 shall be derived from amounts appropriated for fiscal year 1984 for procurement of ammunition for the Army; and

(B) $110,000,000 shall be derived from amounts appropriated for fiscal year 1985 for procurement of ammunition for the Army.

(5) OTHER PROCUREMENT.—$230,600,000 for other procurement, of which—

(A) $79,000,000 shall be derived from amounts appropriated for fiscal year 1984 for other procurement for the Army; and

(B) $151,600,000 shall be derived from amounts appropriated for fiscal year 1985 for other procurement for the Army.

(c) AUTHORIZED MULTIYEAR CONTRACTS.—(1) Subject to paragraph (3), the Secretary of the Army may enter into multiyear contracts in accordance with section 2306(h) of title 10, United States Code, for procurement of the following:

T-700 series engines.

Chassis for the M1A1 tank.

AGT 1500 turbine engine for the M1 tank.

Laser range finder and thermal integrated sight fire control components for the M1 tank.

Electronic unit and control panel components for the ballistic computer for the M1 tank.

Transmission system for the Bradley Fighting Vehicle.

(2) The Secretary of the Army may not enter into a multiyear contract for procurement of the Armored Combat Earthmover.

(3) A multiyear contract authorized by paragraph (1) may not be entered into unless the total anticipated cost over the period of the contract is no more than 90 percent of the total anticipated cost of carrying out the same program through annual contracts.

(d) REMOVAL OF LIMITATION ON CONTRACTORS FOR 120-MILLIMETER MORTAR.—The Secretary of the Army may select a contractor for the supply of 120-millimeter mortars for the Army as if section 101(e) of the Department of Defense Authorization Act, 1985 (Public Law 98–525; 98 Stat. 2499), had not been enacted.

(e) MULTIYEAR CONTRACT FOR 1985 MLRS PROGRAM PROCUREMENT.—Notwithstanding section 1502(a) of title 31, United States Code, or any other Act, funds appropriated for the multiple-launch rocket system (MLRS) program of the Army for fiscal year 1985 may be used to enter into contracts for purchases in economic-order quantities of materials and components for use with end items under the program proposed for procurement during fiscal year 1989.

SEC. 102. NAVY AND MARINE CORPS

(a) AIRCRAFT.—(1) Funds are hereby authorized to be appropriated for fiscal year 1986 for procurement of aircraft for the Navy in the amount of $11,599,900,000.

(2) Funds appropriated for fiscal year 1985 for procurement of aircraft for the Navy are hereby authorized to be transferred to, and merged with, amounts appropriated for procurement of aircraft for the Navy for fiscal year 1986 pursuant to the authorization of appropriations in paragraph (1) in the amount of $109,000,000.

(b) WEAPONS.—(1)(A) Funds are hereby authorized to be appropriated for fiscal year 1986 in the total amount of $5,655,100,000 for procurement of weapons (including missiles and torpedoes) for the Navy.

(B) There are hereby authorized to be transferred to, and merged with, amounts appropriated for procurement of weapons for the Navy for fiscal year 1986 the amount of $15,000,000, to be derived from amounts appropriated for fiscal year 1985 for procurement of weapons for the Navy.

(2) Funds appropriated or otherwise made available for procurement of weapons for the Navy for fiscal year 1986 pursuant to the authorizations in paragraph (1) are available as follows:

(A) For missile programs, $4,430,400,000.

(B) For torpedo programs:

For the MK-48 torpedo program, $417,400,000.

For the MK-46 torpedo program, $129,100,000.

For the MK-60 CAPTOR mine program, $59,600,000.

For the MK-30 mobile target program, $20,600,000.

For the MK-38 minimobile target program, $3,500,000.

For the antisubmarine rocket (ASROC) program, $15,600,000.

For the modification of torpedoes and related equipment, $141,200,000.

For the torpedo support equipment program, $47,400,000.

For the antisubmarine warfare range support program, $23,200,000.

(C) For other weapons:

For the MK-15 close-in weapon system program, $150,100,000.

For the MK-75 76-millimeter gun mount program, $20,000,000.

For other weapons programs, $77,300,000.

(D) For spares and repair parts, $166,600,000.

(c) SHIPBUILDING AND CONVERSION.—(1)(A) Funds are hereby authorized to be appropriated for fiscal year 1986 for shipbuilding and conversion for the Navy in the total amount of $10,001,200,000.

(B) Funds appropriated for fiscal years before fiscal year 1986 are hereby authorized to be transferred to, and merged with, amounts appropriated pursuant to the authorization of appropriations in subparagraph (A) in the total amount of $859,600,000. Such amount shall be derived in accordance with paragraph (3).

(2) Funds appropriated or otherwise made available for shipbuilding and conversion for fiscal year 1986 pursuant to the authorizations in paragraph (1) are available as follows:

For the Trident submarine program, $1,481,800,000.

For the SSN-688 nuclear attack submarine program, $2,698,400,000.

For the aircraft carrier service life extension program (SLEP), $133,400,000.

For the CG-47 Aegis cruiser program, $2,766,200,000.

For the DDG-51 guided missile destroyer program, $164,300,000.

For the LSD-41 landing ship dock program, $414,400,000.

For the LHD-1 amphibious assault ship program, $1,314,200,000.

For the MCM-1 mine countermeasures ship program, $167,100,000.

For the MSH-1 coastal mine hunter ship program, $184,500,000.

For the TAO-187 fleet oiler program, $328,500,000.

For the TAGOS ocean surveillance ship program, $115,100,000.

For the acoustic research vessel program, $68,900,000.

For the strategic sealift ready reserve program, $228,400,000.

For the TACS auxiliary crane ship program, $82,500,000.

For the TAVB aviation logistics support ship program, $26,900,000.

For the LCAC landing craft air cushion program, $307,000,000.

For the battleship reactivation program, $53,500,000.

For service craft and landing craft, $72,100,000.

For the moored training ship program, $26,500,000.

For outfitting and post delivery, $341,100,000.

(3) Amounts transferred pursuant to paragraph (1)(B) to amounts appropriated for shipbuilding and conversion pursuant to the authorization of appropriations in paragraph (1)(A) shall be derived from amounts appropriated for shipbuilding and conversion for the Navy for fiscal years before fiscal year 1986 as follows:

(A) $357,500,000 shall be derived from amounts appropriated for fiscal years before fiscal year 1983.

(B) $153,000,000 shall be derived from amounts appropriated for fiscal year 1983.

(C) $156,100,000 shall be derived from amounts appropriated for fiscal year 1984.

(D) $193,000,000 shall be derived from amounts appropriated for fiscal year 1985.

(4)(A) The Secretary of the Navy is hereby authorized to transfer to and merge with amounts appropriated pursuant to the authorizations of appropriations in paragraph (1) amounts described in subparagraph (B).

(B) Amounts that may be transferred under subparagraph (A) are amounts appropriated for fiscal year 1985 and prior years for shipbuilding and conversion for the Navy and remaining available for obligation as a result of cost savings in carrying out shipbuilding programs for fiscal year 1985 and prior years. Any such transfer is in addition to the transfers described in paragraph (3).

(5)(A) The Secretary of the Navy may transfer to amounts available for the battleship reactivation program for fiscal year 1986 such amounts as may be available as a result of cost savings in carrying out shipbuilding programs for fiscal year 1986 and prior years. Any such transfer is in addition to the transfers described in paragraphs (3) and (4).

(B) Section 1401 shall not apply to any transfer under this paragraph of funds appropriated for fiscal year 1986.

(d) OTHER PROCUREMENT, NAVY.—(1)(A) Funds are hereby authorized to be appropriated for fiscal year 1986 for other procurement for the Navy in the amount of $6,040,800,000.

(B) There is hereby authorized to be transferred to, and merged with, amounts appropriated for other procurement for the Navy, the amount of $221,000,000, to be derived from amounts appropriated for fiscal years 1984 and 1985 for other procurement for the Navy, of which—

(i) $70,000,000 shall be derived from amounts appropriated for fiscal year 1984; and

(ii) $151,000,000 shall be derived from amounts appropriated for fiscal year 1985.

(2) Funds appropriated or otherwise made available for other procurement for the Navy for fiscal year 1986 pursuant to the authorizations in paragraph (1) are available as follows:

(A) $935,000,000 is available only for the ship support equipment program;

(B) $2,134,500,000 is available only for the communications and electronics equipment program;

(C) $1,206,800,000 is available only for aviation support equipment;

(D) $1,396,500,000 is available only for the ordnance support equipment program;

(E) a total of $685,000,000 is available only for programs for civil engineering support equipment, supply support equipment, and personnel/command support equipment;

(F) $279,800,000 is available only for spares and repair parts; and

(G) $125,300,000 is available only for non-centrally managed items.

(e) PROCUREMENT, MARINE CORPS.—(1) Funds are hereby authorized to be appropriated for fiscal year 1986 for procurement for the Marine Corps (including missiles, tracked combat vehicles, and other weapons) in the amount of $1,727,400,000.

(2) There is hereby authorized to be transferred to, and merge with, amounts appropriated for procurement for the Marine Corps for fiscal year 1986 pursuant to the authorization of appropriations in paragraph (1) $28,000,000 to be derived from amounts appropriated for fiscal year 1985 for procurement for the Marine Corps.

(f) AUTHORIZED MULTIYEAR CONTRACTS.—(1) The Secretary of the Navy may enter into multiyear contracts in accordance with section 2306(h) of title 10, United States Code, for procurement of the following:

LHD-1 class amphibious assault ships.
MK-46 torpedoes and modification kits.

(2) The Secretary of the Navy may not enter into a multiyear contract for the procurement of the P-3C Orion antisubmarine warfare patrol aircraft.

(g) FUNDING FOR SHIP CONTRACT DESIGN.—Any request submitted to Congress for appropriations for a fiscal year after fiscal year 1986 for ship contract design necessary to support the procurement of ships included (at the time the request is submitted) in the Navy's five-year shipbuilding and conversion plan shall be reflected in the Shipbuilding and Conversion account of the Navy.

SEC. 103. AIR FORCE

(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated for fiscal year 1986 for procurement for the Air Force as follows:

(1) For aircraft, $24,435,300,000.

(2) For missiles, $9,008,600,000.

(3) For other procurement, $8,571,100,000, of which—

(A) $1,432,400,000 is for munitions and associated support equipment;

(B) $320,800,000 is for vehicular equipment;

(C) $2,635,800,000 is for electronics and telecommunications equipment;

(D) $4,655,400,000 is for other base maintenance and support equipment; and

(E) $54,700,000 is available only for non-centrally managed items.

(b) AUTHORIZATION OF TRANSFERS OF PRIOR-YEAR FUNDS.—There are hereby authorized to be transferred to, and merged with, amounts appropriated for procurement for the Air Force for fiscal year 1986 pursuant to the authorization of appropriations in subsection (a) the following amounts:

(1) AIRCRAFT.—$406,000,000 for procurement of aircraft, to be derived from amounts appropriated for fiscal year 1985 for procurement of aircraft for the Air Force.

(2) MISSILES.—$42,800,000 for procurement of missiles, to be derived from amounts appropriated for fiscal years before fiscal year 1986 for procurement of missiles for the Air Force, of which—

(A) $35,000,000 shall be derived from amounts appropriated for fiscal year 1985; and

(B) $7,800,000 shall be derived from amounts appropriated for fiscal years before fiscal year 1985.

(3) OTHER PROCUREMENT.—$282,000,000 for other procurement, to be derived from amounts appropriated for fiscal years before fiscal year 1986 for other procurement for the Air Force, of which—

(A) $86,000,000 shall be derived from amounts appropriated for fiscal year 1984; and

(B) $196,000,000 shall be derived from amounts appropriated for fiscal year 1985.

SEC. 104. RESERVE COMPONENTS

(a) AUTHORIZATION OF APPROPRIATIONS.— Funds are hereby authorized to be appropriated for fiscal year 1986 for procurement of aircraft, missiles, tracked combat vehicles, ammunition, other weapons, and other procurement for the reserve components of the Armed Forces as follows:

For the Army National Guard, $223,400,000.
For the Air National Guard, $210,000,000.
For the Naval Reserve, $45,000,000.
For the Marine Corps Reserve, $60,000,000.
For the Air Force Reserve, $120,000,000.

(b) AUTHORIZATIONS IN ADDITION TO OTHER AMOUNTS.—The authorizations of appropriations contained in subsection (a) are in ad-

dition to any other amounts authorized to be appropriated by this or any other Act.

SEC. 105. DEFENSE AGENCIES

(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated for fiscal year 1986 for the Defense Agencies in the amount of $1,342,300,000.

(b) AUTHORIZATION OF TRANSFERS OF PRIOR-YEAR FUNDS.—There is hereby authorized to be transferred to, and merged with, amounts appropriated for procurement for the Defense Agencies for fiscal year 1986 pursuant to the authorization of appropriations in subsection (a) the amount of $36,000,000, to be derived from amounts appropriated for fiscal years before fiscal year 1986 for procurement for the Defense Agencies, of which—

(1) $15,000,000 shall be derived from amounts appropriated for fiscal year 1984; and

(2) $21,000,000 shall be derived from amounts appropriated for fiscal year 1985.

SEC. 106. NATO COOPERATIVE PROGRAMS

(a) AUTHORIZATION OF APPROPRIATIONS FOR COOPERATIVE DEFENSE PROGRAMS.—(1) There is hereby authorized to be appropriated to the Secretary of Defense for fiscal year 1986 the amount of $75,000,000 for North Atlantic Treaty Organization cooperative defense programs as follows:

For acquisition of point air defense of United States airbases in the Federal Republic of Germany, $30,000,000.

For acquisition of point air defense of United States airbases and other critical United States military facilities in Italy, $15,000,000.

For acquisition of point air defense and port defense for facilities in Belgium, $15,000,000.

For acquisition of point air defense of United States airbases in Turkey, $15,000,000.

(2) None of the amounts appropriated pursuant to the authorizations in paragraph (1) may be obligated—

(A) for implementation of a cooperative program until the Secretary of Defense submits to the Committees on Armed Services of the Senate and House of Representatives a copy of each government-to-government agreement relating to that program; or

(B) for acquisitions in connection with a NATO cooperative defense program in which the financial obligations of the United States exceed the collective financial obligations of European countries in connection with such program.

(b) EXTENSION OF AUTHORITY PROVIDED SECRETARY OF DEFENSE IN CONNECTION WITH THE NATO AWACS PROGRAM.—Effective on October 1, 1985, section 103(a) of the Department of Defense Authorization Act, 1982 (Public Law 97-86; 95 Stat. 1100), is amended by striking out "fiscal year 1985" both places it appears and inserting in lieu thereof "fiscal year 1986".

SEC. 107. REDUCTIONS IN AUTHORIZATIONS DUE TO SAVINGS FROM LOWER INFLATION AND PRIOR-YEAR COST SAVINGS

(a) CERTAIN FY86 AUTHORIZATION REDUCTIONS TO BE FROM COST SAVINGS.—Authorization reductions described in subsection (b)—

(1) may not be derived through cancellation of any authorized program, stretchout of procurement under any authorized program, or any other change in an authorized program; but

(2) may be derived only through cost reductions in programs of the Department of Defense under this title that are achieved without a reduction in the quantity or quality of goods or services acquired by the Department, including reductions due to the rate of inflation for fiscal year 1986 being lower than the rate assumed in the President's budget for fiscal year 1986.

(b) IDENTIFICATION OF AMOUNTS.—Subsection (a) applies to the following amounts that represent reductions from amounts requested in the President's Budget for fiscal year 1986 and that have been incorporated into the amounts authorized in sections 101 through 105:

(1) Aircraft, Army, $5,000,000.
(2) Missiles, Army, $4,000,000.
(3) Weapons and tracked combat vehicles, Army, $7,000,000.
(4) Ammunition, Army, $3,000,000.
(5) Other procurement, Army, $5,000,000.
(6) Aircraft, Navy, $15,000,000.
(7) Weapons, Navy, $7,000,000.
(8) Shipbuilding and conversion, Navy, $14,000,000.
(9) Other procurement, Navy, $6,000,000.
(10) Procurement, Marine Corps, $2,000,000.
(11) Aircraft, Air Force, $32,000,000.
(12) Missiles, Air Force, $13,000,000.
(13) Other Procurement, Air Force, $9,000,000.
(14) Defense Agencies, $1,000,000.

SEC. 108. PROVISIONS RELATING TO TRANSFERS OF PRIOR-YEAR FUNDS

(a) AUTHORIZATION OF TRANSFERS SUBJECT TO PROVISIONS OF APPROPRIATIONS ACTS.—Transfers authorized by this title (other than a transfer described in section 102(c)(5)(B)) may be made only to the extent provided in appropriation Acts.

(b) SOURCE OF TRANSFERRED FUNDS.—(1) All amounts transferred under this title shall be derived from funds that remain available for obligation.

(2) Except as provided in paragraphs (3) and (4), such funds—

(A) may not be derived through cancellation of any program, stretchout of procurement under any program, or any other program change; but

(B) may be derived only through cost reductions (including reductions due to rates of inflation being lower than rates assumed when such funds were budgeted) under programs for which such funds were authorized and appropriated that are achieved without a reduction in the quantity or quality of goods or services acquired by the Department of Defense.

(3)(A) Funds for the transfer authorized by section 101(b)(3)(B) may be derived from the Sergeant York Air Defense Gun.

(B) Funds for the transfer authorized by section 101(b)(4)(B) may be derived from 120-millimeter mortar ammunition.

(C) Funds for the transfer authorized by section 101(b)(5)(B) may be derived from the Single Channel Objective Tactical Terminal and M9 Armored Combat Earthmover programs.

(4) Paragraph (2) shall not apply to funds for the transfers authorized by section 101(b)(3)(C) and section 131(c).

SEC. 109. REPORT ON REDUCTIONS AND TRANSFERS

The Secretary of Defense may not implement a program change under a reduction described in section 107 or under a transfer under this title until the Secretary submits to the Committees on Armed Services of the Senate and House of Representatives a report describing the programs in which such reductions will be made in accordance with section 107 and the programs that are the source of the funds transferred under this title.

SEC. 110. IMPROVEMENT IN CONVENTIONAL READINESS CAPABILITY

(a) SENSE OF CONGRESS.—It is the sense of Congress that the United States should place greater emphasis on the improvement of the capabilities of United States conventional forces, particularly in cooperation with other member nations of the North Atlantic Treaty Organization, and that such an improvement would reduce the threat of nuclear war.

(b) INCREASED AUTHORIZATIONS FOR CONVENTIONAL CAPABILITY.—Accordingly, authorizations of appropriations for programs to improve the conventional readiness capabilities of the Armed Forces in addition to the amounts requested in the President's budget for fiscal year 1986 have been included in the appropriate provisions of this Act, and similar emphasis on conventional defense capabilities is to be expected in future legislation authorizing appropriations for the Department of Defense.

PART B—ARMY PROGRAM LIMITATIONS

SEC. 121. SERGEANT YORK DIVISION AIR DEFENSE (DIVAD) GUN

(a) LIMITATION ON FURTHER PROCUREMENT.—The Secretary of the Army may not obligate funds to execute option III of the production contract for procurement of fire units of the Sergeant York Division Air Defense (DIVAD) Gun system or to enter into a new contract for production and assembly of that system until—

(1) the initial production testing and the follow-on evaluation I are completed and the results of the testing and evaluation demonstrate that the Sergeant York System meets or exceeds the pass/fail criteria of the tests established jointly by the Secretary of the Army and the Secretary of Defense;

(2) the Director of Operational Test and Evaluation of the Department of Defense submits to the Secretary of Defense and the Committees on Armed Services of the Senate and House of Representatives a report giving the Director's evaluation of the results of such testing and evaluation;

(3) the Secretary of Defense reports to those committees on the results of such testing and evaluation and certifies that such testing reliably demonstrates that the operational capabilities of the Sergeant York system meet or exceed the performance specifications of the contract;

(4) the Secretary of the Army submits to those committees a report describing a contractor guarantee of the performance of the system described in subsection (b)(1); and

(5) 30 days have elapsed after the report under paragraph (4) is received by those committees.

(b) Performance Guarantee.—(1) The guarantee of the contractor under subsection (a)(4) shall provide that each fire unit of the system shall operate in accordance with the performance specifications of the contract for the system for the maximum feasible duration and in any event for not less than one year.

(2) The terms of a guarantee under this subsection shall be in addition to terms of any previous guarantee or warranty of the system by the contractor required under section 2403 of title 10, United States Code, or any predecessor provision.

(3) A guarantee under this subsection shall apply to contracts for fiscal years after fiscal year 1985.

SEC. 122. BRADLEY FIGHTING VEHICLE

(a) Requirement for Reports on Testing.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives two reports with respect to the Bradley Fighting Vehicle. The reports shall describe the results of the first and second phases, respectively, of the live-fire survivability testing program being carried out with respect to such vehicle. The reports shall be submitted in both classified and unclassified versions.

(b) Required Elements of Testing Program.—In phase 1 of the testing program referred to in subsection (a), at least 10 live-fire tests using antiarmor weapons of the Soviet Union shall be conducted against such vehicle in its current configuration. In phase 2 of the testing program, similar tests shall be conducted against such vehicle in a configuration with enhanced survivability features.

(c) Content of Reports.—The reports required by this section shall include the following:

(1) A complete analysis of the results of the testing program referred to in subsection (a), including an accounting of all of the test shots which were fired at the test vehicle, the distances from which the shots were fired, and the effects of such shots.

(2) A description and justification for the measures of merit and the pass/fail criterion used in the testing program.

(3) A justification for exempting from the testing program any overmatch or undermatch weapon which would likely be encountered in combat conditions.

(4) Potential problems that were revealed by the tests and a proposed design modification for remedying such problems.

(5) The estimated unit cost of each proposed survivability modification and the overall program cost for the modifications.

(6) A comparison of the estimated unit cost of the Bradley Fighting Vehicle in both the configuration used in phase 1 of the testing program and the configuration in phase 2 of the testing program.

(d) Date for Submission of Reports.—The reports required by this section shall be submitted as follows:

(1) The report regarding the results of phase 1 of the testing program shall be submitted by December 1, 1985.

(2) The report regarding the results of phase 2 of the testing program shall be submitted by June 1, 1986.

SEC. 123. CONDITIONS ON PROCUREMENT OF CERTAIN COMBAT VEHICLES

(a) TESTING REQUIREMENTS.—(1) Chapter 139 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 2362. Testing requirements: wheeled or tracked armored vehicles

"(a) The Secretary of Defense shall provide that a contract for procurement by the Department of Defense under a major vehicle program may not be entered into unless the testing carried out during the development of the vehicle meets the requirements of subsection (b).

"(b) The testing of a vehicle referred to in subsection (a) shall include testing of the vulnerability of such vehicle to the most capable weapon that is likely to be a combat threat to the vehicle and against which the vehicle is designed to survive. Such tests—

"(1) shall be carried out in a manner modeled after the Joint Live-Fire Test Program for the Bradley Fighting Vehicle; and

"(2) if the test vehicle is to replace an existing vehicle, shall at least include test shots fired under the same conditions at both the test vehicle and the vehicle it is to replace, with each vehicle being equipped with all of the elements with which the vehicle would be equipped in combat.

"(c)(1) The Secretary of Defense shall submit to the defense committees a report with respect to the testing of each vehicle for which testing is required under this section.

"(2) A report under paragraph (1)—

"(A) shall be submitted in both a classified and unclassified form;

"(B) shall be submitted with the first request to Congress for appropriations for procurement—

"(i) of the vehicle; or

"(ii) of modifications to an existing vehicle.

"(3) Each such report shall include—

"(A) a complete description of the firing parameters used in the testing and an analysis of the effect on the vehicle of each test shot made;

"(B) a description and justification of the merit and pass/fail criterion used in carrying out the test;

"(C) a description of the potential shortcomings of the vehicle that were revealed by the testing and (if any were revealed) the plan of the Secretary to incorporate into the design of the vehicle changes that are considered cost effective and that are necessary to overcome such shortcomings; and

"(D) if the test vehicle is to replace an existing vehicle, a comparison—

"(i) of the estimated unit cost of each newly developed vehicle (or of the newly developed survivability modifications being made to an existing vehicle); with

"(ii) the unit cost of the vehicle that is to be replaced by the test vehicle.

"(d) The Secretary of Defense shall include in the Department of Defense plan referred to as the Test and Evaluation Master Plan that is established for any major vehicle program an estimated cost and schedule of the testing to be carried out with respect to the program.

"(e) In this section:

"(1) 'Major vehicle program' means a major defense acquisition program for the acquisition of—

"(A) a newly developed combat wheeled or tracked armored vehicle; or

"(B) a combat wheeled or tracked armored vehicle with significant newly developed survivability modifications.

"(2) 'Major defense acquisition program' means a program subject to the Selected Acquisition Report requirements of section 139a of this title.

"(3) 'Defense committees' means the Committees on Armed Services and on Appropriations of the Senate and House of Representatives.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"2362. Testing requirements: wheeled or tracked armored vehicles.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on January 1, 1987.

SEC. 124. SALE OF L119 HOWITZERS OVERSEAS

(a) LIMITATION ON SALE TO FOREIGN GOVERNMENTS.—Howitzers designated as L119 howitzers that are produced by a United States arsenal may be sold to a friendly foreign government only if not less than 30 percent of the dollar value of such howitzers is produced in the United Kingdom, as follows:

(1) Five percent of the dollar value consists of basic issue items.

(2) Ten percent of the dollar value consists of fire control items.

(3) Fifteen percent of the dollar value consists of commercial items.

(b) PERIOD OF APPLICABILITY.—Subsection (a) applies only during the period of coproduction of the L119 howitzer, as determined jointly by the United States and the United Kingdom.

SEC. 125. RESTRICTIONS ON PURCHASE OF 5-TON TRUCKS

(a) TESTING OF COMPETING ENGINES BEFORE CONTRACT AWARD.—(1) Except as provided in subsection (b), the Secretary of the Army may not enter into a new contract for the procurement of 5-ton trucks for the Army until the Secretary certifies to the Committees on Armed Services of the Senate and House of Representatives that each truck engine described in paragraph (2) has been tested as provided in paragraph (3).

(2) The truck engines referred to in paragraph (1) are engines that—

(A) meet the specifications of the Army for engines for 5-ton trucks; and

(B) are commercially available from sources competing for the award of a contract for the supply of engines to the Army for the 5-ton trucks that are to be procured under a multiyear con-

tract that is to succeed the multiyear contract referred to in subsection (b).

(3) The testing referred to in paragraph (1) shall be carried out in 5-ton trucks configured in the M939 validated technical data package of the Army and shall include tests to determine—

(A) whether the engine is durable after testing in a mission profile for at least 20,000 miles; and

(B) whether the performance reliability of the engine for high ambient temperature cooling, cold starting, deep water fording, grade climbing, and noise is acceptable.

(b) AUTHORITY FOR EXTENSION OF EXISTING MULTIYEAR CONTRACT.—(1) The Secretary of the Army may extend for a period not to exceed 18 months the multiyear contract for the procurement of 5-ton trucks that is in effect on the date of the enactment of this Act.

(2) Funds available to the Army for the procurement of 5-ton trucks during fiscal year 1985 and funds appropriated for the procurement of 5-ton trucks for the Army for fiscal year 1986 may be used for the procurement of 5-ton trucks under an extension of the contract referred to in paragraph (1).

(c) NEW MULTIYEAR CONTRACT.—(1) Subject to paragraph (2), the Secretary of the Army shall take such action as is appropriate, consistent with the limitation set out in subsection (a), to award a multiyear contract for the procurement of 5-ton trucks not later than May 1, 1986. Such a contract shall be for a period of five fiscal years. A contract under this paragraph may only be entered into in accordance with section 2306(h) of title 10, United States Code.

(2) A contract under paragraph (1) may not be entered into unless the anticipated cost over the period of the contract is no more than 90 percent of the anticipated cost of carrying out the same program through annual contracts.

(3) Not later than February 1, 1986, the Secretary shall determine whether it is impracticable to award a contract under paragraph (1) on or before May 1, 1986. If the Secretary determines that such action is impracticable, he shall notify the Committees on Armed Services of the Senate and the House of Representatives of the determination on or before February 1, 1986.

SEC. 126. OTHER ARMY PROGRAMS

(a) COPPERHEAD PROJECTILE PROGRAM.—Of the amount authorized in section 101 for procurement of ammunition, $235,000,000 is authorized for the Copperhead projectile. Not more than $200,000,000 may be obligated or expended for that projectile from funds appropriated or otherwise made available to the Army for fiscal year 1986, after the date of the enactment of this Act, until the Secretary of Defense submits to Congress a written plan to establish a second production source for the Copperhead projectile.

(b) SAFETY MODIFICATIONS FOR PERSHING II MISSILE PROGRAM.—(1) In carrying out the Pershing II missile program for fiscal year 1986, the Secretary of the Army may purchase safety modifications (including 36 inert missile motors for the Pershing II missile) using funds made available for such program for such fiscal year.

(2) The Secretary may not obligate any funds for the safety modifications authorized by paragraph (1) until the Secretary submits to the Committees on Armed Services of the Senate and House of Rep-

resentatives a report providing a detailed plan for the purchase of such safety modifications.

(c) AH–64 Apache Helicopters.—The Secretary of the Army may not obligate funds appropriated or otherwise made available for a fiscal year after fiscal year 1985 for procurement of AH–64 Apache attack helicopters until the Director of the Defense Contract Audit Agency reports to the Secretary that the contractor for such helicopters has demonstrated to the satisfaction of the Director—

(1) that the contractor has implemented an effective and reliable system of internal accounting controls; and

(2) that the contractor has accumulated documentation (including journals, vouchers, invoices, and expense data) to support the contractor's final submission for settlement of indirect expenses for calendar years 1979 through 1983 and that such documentation is available to the Director.

Part C—Navy Program Limitations

SEC. 131. A6 AIRCRAFT REWING PROGRAM

(a) Authorized Program.—The Secretary of the Navy is authorized to carry out a program to replace the wings of the A6 aircraft. The amount obligated to carry out such program during fiscal year 1985 may not exceed $240,000,000.

(b) Required Warranty.—Funds may be obligated for the program authorized by subsection (a) only under a firm fixed-price contract which includes a warranty guaranteeing a wing fatigue life of at least 8,800 hours.

(c) Authorization for Transfer of Funds.—There are hereby authorized to be transferred to, and merged with, amounts appropriated for procurement for aircraft for the Navy for fiscal year 1985, to the extent provided in appropriation Acts, $240,000,000 for the program authorized by subsection (a). Such amount shall be derived from amounts appropriated for procurement of aircraft for the Navy for fiscal years before fiscal year 1986 as follows:

(1) $103,000,000 shall be derived from amounts appropriated for fiscal years before fiscal year 1985 remaining available for obligation.

(2) $137,000,000 shall be derived from amounts appropriated for fiscal year 1985 remaining available for obligation.

SEC. 132. LIMITATIONS ON NAVY AIRCRAFT PROCUREMENT

Funds appropriated for fiscal year 1986 for aircraft for the Navy—

(1) may not be obligated for procurement of A6E aircraft until the Secretary of the Navy certifies to the Committees on Armed Services of the Senate and House of Representatives that the wing for the A6E aircraft to be procured is warranted for at least a 4,000-hour test-equivalent fatigue life; and

(2) may be obligated for procurement of F14 aircraft only for aircraft that are configured so as to incorporate the F110 engine.

Part D—Air Force Program Limitations

SEC. 141. MX MISSILE PROGRAM

(a) Limitations on FY86 MX Program.—(1) Not more than 12 MX missiles may be procured with funds appropriated or otherwise made available in an appropriation law for fiscal year 1986 for the procurement of missiles for the Air Force.

(2) Of the funds appropriated or otherwise made available in an appropriation law for fiscal year 1986 for the procurement of missiles for the Air Force—

(A) $1,746,000,000 shall be available only for the procurement of 12 MX missiles and related weapons system and support costs; and

(B) $105,000,000 shall be available only for the procurement of initial spares for the MX missile program.

(b) Limitations on Deployment and Basing of MX Missiles.—(1) The number of MX missiles deployed at any time in existing Minuteman silos may not exceed 50.

(2) Funds appropriated pursuant to this or any other Act may not be used—

(A) to modify, or prepare for modification, more than 50 existing Minuteman silos for the deployment of MX missiles;

(B) to acquire basing sets to modify more than 50 existing Minuteman silos for the deployment of MX missiles; or

(C) to procure long-lead items for the deployment of more than 50 MX missiles.

(c) Additional Limitations on the Deployment and Basing of MX Missiles.—Unless a basing mode for the MX missile other than existing Minuteman silos is specifically authorized by legislation enacted after the date of the enactment of this Act, after procurement of 50 MX missiles for deployment in existing Minuteman silos—

(1) further procurement of MX missiles shall be limited to those missiles necessary to support the operational test program and for the MX missile reliability testing program; and

(2) during fiscal year 1987, depending upon the most efficient production rate, from 12 to 21 MX missiles should be procured for such purposes.

SEC. 142. COMPETITION FOR AIR FORCE FIGHTER AIRCRAFT PROCUREMENT

(a) Required Competition.—The Secretary of the Air Force shall establish during fiscal year 1986 a competition for the procurement of fighter aircraft to meet the requirements of the active and reserve forces of the Air Force. Such competition shall be among all suitable aircraft.

(b) Compliance with Applicable Law.—Procurement of tactical fighter aircraft for the Air Force for fiscal year 1986 shall be carried out in accordance with all applicable provisions of law, including section 136a (relating to the Director of Operational Test and Evaluation), section 139c (relating to independent cost estimates), and chapter 137 (relating to competition in contracting), of title 10, United States Code.

SEC. 143. ADVANCED TECHNOLOGY BOMBER

(a) Report on Total Program Cost.—Not later than February 1, 1986, the Secretary of Defense shall transmit to Congress a report setting forth the total program cost for the advanced technology bomber program. The Secretary shall include in the report the Secretary's evaluation of the reliability of the cost estimates for the program.

(b) Limitation on Expenditure of Procurement Funds.—No funds appropriated pursuant to the authorizations of appropriations in this title may be obligated or expended for the advanced technology bomber program until the report required by subsection (a) is transmitted to Congress.

SEC. 144. SPECIAL OPERATIONS FORCES HH-53 HELICOPTERS

(a) Air Force Aircraft Funds.—Of the amount authorized in section 103(a) for procurement of aircraft for the Air Force, $50,000,000 is available only for modification of HH-53 helicopters to the PAVE LOW mission configuration.

(b) Certification Requirement.—None of the amount described in subsection (a) may be obligated or expended until the Secretary of the Air Force certifies that sufficient funds have been budgeted in the fiscal year 1987 five-year defense plan to meet, at the earliest practicable date, and sustain the highest readiness level prescribed for all PAVE LOW HH-53 helicopters in the Joint Chiefs of Staff Unit Status Report System.

Part E—Other Limitations

SEC. 151. C-12 AIRCRAFT

None of the funds appropriated pursuant to authorizations in this title may be obligated or expended for procurement of C-12 aircraft unless such aircraft are procured through competitive procedures (as defined in section 2302(2) of title 10, United States Code), which shall be restricted to turboprop aircraft.

SEC. 152. ADEQUATE AIRLIFT FOR SPECIAL OPERATIONS FORCES

None of the funds appropriated pursuant to authorizations in this title may be obligated or expended for the procurement of MC-130 aircraft or the modification of HH-53 or CH-47 helicopters until the Secretary of Defense—

(1) submits, in consultation with the Chairman of the Joint Chiefs, to the Committees on Armed Services of the Senate and House of Representatives a plan for meeting the immediate airlift requirements of the Joint Special Operations Command and a second plan for meeting, by 1991, the airlift requirements of the Joint Special Operations Command and the special operations forces of unified commanders-in-chief; and

(2) certifies that the plans required by paragraph (1) are funded in the Fiscal Year 1987 Five-Year Defense Plan.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

PART A—AUTHORIZATIONS OF APPROPRIATIONS AND PROGRAM LIMITATIONS

SEC. 201. AUTHORIZATION OF APPROPRIATIONS

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal year 1986 for the use of the Armed Forces for research, development, test, and evaluation in amounts as follows:

(1) For the Army, $4,848,663,000.

(2) For the Navy (including the Marine Corps), $10,106,401,000.

(3) For the Air Force, $13,719,721,000.

(4) For the Defense Agencies, $6,813,969,000 of which $93,500,000 is authorized for the activities of the Director of Test and Evaluation, Defense.

(b) GENERAL AUTHORIZATION FOR CIVILIAN PAY CONTINGENCIES.—There are authorized to be appropriated for fiscal year 1986, in addition to the amounts authorized to be appropriated in subsection (a), such sums as may be necessary for unbudgeted amounts for salary, pay, retirement, and other employee benefits authorized by law for civilian employees of the Department of Defense whose compensation is provided for by funds authorized to be appropriated in subsection (a).

SEC. 202. REDUCTIONS IN AUTHORIZATIONS DUE TO SAVINGS FROM LOWER INFLATION AND PRIOR-YEAR COST SAVINGS

(a) CERTAIN FY 86 AUTHORIZATION REDUCTIONS TO BE FROM COST SAVINGS.—Authorization reductions described in subsection (b)—

(1) may not be derived through cancellation of any authorized program or any other change in an authorized program; but

(2) may be derived only through cost reductions (including reductions due to the rate of inflation being lower than the rate assumed in the President's budget for fiscal year 1986) in programs of the Department of Defense under this title that are achieved without a reduction in the quantity or quality of goods or services acquired by the Department.

(b) IDENTIFICATION OF AMOUNTS.—Subsection (a) applies to the following amounts that represent reductions from amounts requested in the President's Budget for fiscal year 1986 and that have been incorporated into the amounts authorized in section 201:

(1) For the Army, $4,000,000.

(2) For the Navy (including the Marine Corps), $11,000,000.

(3) For the Air Force, $14,000,000.

SEC. 203. AUTHORIZATION OF TRANSFERS OF PRIOR-YEAR FUNDS

(a) AUTHORIZED TRANSFERS.—There are hereby authorized to be transferred to, and merged with, amounts appropriated for research, development, test, and evaluation for the Armed Forces pursuant to the authorizations of appropriations in section 201 the following amounts:

(1) Army.—$85,000,000, to be derived from amounts appropriated for fiscal year 1985 for research, development, test, and evaluation for the Army.

(2) Navy.—$183,000,000, to be derived from amounts appropriated for fiscal year 1985 for research, development, test, and evaluation for the Navy (including the Marine Corps).

(3) Air force.—$256,000,000, to be derived from amounts appropriated for fiscal year 1985 for research, development, test, and evaluation for the Air Force.

(4) Defense agencies.—$47,000,000, to be derived from amounts appropriated for fiscal year 1985 for research, development, test, and evaluation for the Defense Agencies.

(b) Authorization of Transfers Subject to Provisions of Appropriations Acts.—Transfers authorized by subsection (a) may be made only to the extent provided in appropriation Acts.

(c) Source of Transferred Funds.—(1) All amounts transferred under this section shall be derived from funds that remain available for obligation.

(2) Such funds—

(A) may not be derived through cancellation of any program, stretchout of procurement under any program, or any other program change; but

(B) may be derived only through cost reductions (including reductions due to rates of inflation being lower than rates assumed when such funds were budgeted) under programs for which such funds were authorized and appropriated that are achieved without a reduction in the quantity or quality of goods or services acquired by the Department of Defense.

(d) Report on Reductions and Transfers.—The Secretary of Defense may not implement a program change under a reduction described in section 202 or under a transfer under this section until the Secretary submits to the Committees on Armed Services of the Senate and House of Representatives a report describing the programs in which such reductions will be made in accordance with section 202 and the programs that are the source of the funds transferred under this section.

SEC. 204. LIMITATIONS ON FUNDS FOR THE ARMY

(a) In General.—Of the amount authorized in section 201 for the Army—

(1) $52,836,000 is available only for the Missile/Rocket Components program, of which—

(A) $10,000,000 is available only for the development of the Fiber Optics Guided Missile; and

(B) $10,000,000 is available only for development of the Hypervelocity Missile;

(2) $23,583,000 is available only for the Stinger Missile program;

(3) $18,898,000 is available only for the M1 E1 Tank Development program, of which $15,000,000 is available only for a fuel-efficient modification for the AGT-1500 tank engine;

(4) $20,000,000 is available only for the development, test integration, and evaluation of the Hellfire Missile for the Blackhawk helicopter; and

(5) $42,000,000 is available only for the Software Initiative (STARS) program.

(b) Report.—Not later than December 15, 1985, the Secretary of the Army shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report delineating a program plan for the fuel-efficient modification for the AGT-1500 transverse-mounted tank engine and for the Advanced Integrated Propulsion system. Such plan shall include the total system cost and system milestones for such programs.

SEC. 205. LIMITATIONS ON FUNDS FOR THE NAVY (INCLUDING THE MARINE CORPS)

(a) In General.—Of the amount authorized in section 201 for the Navy (including the Marine Corps)—

(1) $17,500,000 is available only for the Low-Cost Anti-Radiation Seeker program;

(2) $4,464,000 is available only for the Advanced Mine Development program;

(3) $5,900,000 is available only for the Naval Oceanography program;

(4) $12,000,000 is available only for the Battlegroup Quick Reaction Surveillance System program;

(5) $4,000,000 is available only for unique Wallops Island Test Range activity;

(6) $10,000,000 is available only for the Skipper/Practice Bomb program;

(7) $1,500,000 is available only for a classified sensor development program; and

(8) $2,500,000 is available only to establish a second source for the competitive procurement of the Navy Five-Inch and Army 155-Millimeter Guided Projectile systems.

(b) Report.—Not later than December 15, 1985, the Secretary of the Navy shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report delineating a program plan for the Low-Cost Anti-Radiation Seeker Program. Such plan shall include the total system cost and system milestones for such program.

(c) SSN-21 Combat System Advanced and Engineering Programs.—(1) Of the amount authorized in section 201 for the Navy, $200,000,000 is available only for the SSN-21 Combat System Advanced and Engineering program. None of such amount may be obligated or expended for the Submarine Advanced Combat System (SUBACS) program unless the Secretary of the Navy submits to the Committees on Armed Services of the Senate and House of Representatives written certification that—

(A) the Secretary has initiated action to negotiate and sign prior to February 1, 1986, a modification to the full-scale engineering development contract which would provide for—

(i) a cost ceiling for such development with no liability of the United States for cost growth above such ceiling; and

(ii) penalties for late delivery of equipment and failure to meet performance criteria;

(B) before completion of full-scale engineering development for the SUBACS Basic system under such program, such con-

tractor will provide to the United States a complete technical data package—

(i) at no additional cost to the Government;

(ii) containing no manufacturing or proprietary data rights; and

(iii) of such quality as to allow production of such system by a second source;

(C) the Secretary has begun action to provide, to the maximum extent possible, competition for procurement of components for production of the SUBACS Basic system; and

(D) the Secretary has begun action to establish competition in development and production of the follow-on systems to the SUBACS Basic system.

(2) During the period of any negotiations for a contract modification referred to in paragraph (1)(A), the monthly rate of expenditure for the SUBACS program may not exceed the rate of expenditure for such program.

(3) The Secretary shall also provide, within the amount of funds provided for the SSN-21 Combat System Advanced Engineering Program, that one or more firms that are potential competitors for the attack submarine combat system for fiscal year 1989 be established as associate contractors for the SUBACS Basic program with full access to all SUBACS development information.

(4) If the Secretary determines that it is not possible to make a certification under paragraph (1), the Secretary may obligate and expend funds necessary to develop an advanced combat system (other than SUBACS) for the SSN-21 submarine and other applicable platforms.

(d) ROLLING AIRFRAME MISSILE PROGRAM.—Funds appropriated for fiscal year 1986 for research, development, test, and evaluation for the Navy may not be obligated for the Rolling Airframe Missile program or the NATO Sea Sparrow program unless the Secretary of the Navy certifies to the Committees on Armed Services of the Senate and House of Representatives that—

(1) the Secretary has entered into a firm fixed-price production contract for the Rolling Airframe Missile program;

(2) such contract includes options of the United States for procurement under such program for fiscal years after fiscal year 1986 with maximum prices established for such options; and

(3) the contractor for such contract has provided a complete data package to the Navy—

(A) at no additional cost to the United States; and

(B) containing no manufacturing or proprietary data rights of the contractor.

(e) ACQUISITION OF ANTI-SUBMARINE WARFARE TRAINING SYSTEMS.—The Secretary of the Navy shall initiate a competitive procurement of three service test models of the LAMPS Mark I anti-submarine warfare shipboard training system for the Naval Reserve during fiscal year 1986. Of the funds appropriated pursuant to the authorizations of appropriations in section 201(a)(2), $6,800,000 may not be obligated before such test models are procured.

SEC. 206. LIMITATIONS ON FUNDS FOR THE AIR FORCE

Of the amount authorized in section 201 for the Air Force—

(1) $60,000,000 is available only for research, development, test, and evaluation for the Integrated Electronic Warfare system (INEWS) and the Integrated Communication, Navigation, Identification Avionics (ICNIA) system;

(2) $22,000,000 is available only for the research, development, test, and evaluation to modify the F-4 aircraft to satisfy the Air Force air defense mission;

(3) $19,570,000 is available only for a classified reconnaissance system;

(4) $211,276,000 is available only for the Very High Speed Integrated Circuits (VHSIC) program;

(5) $15,000,000 is available only for the Pave Tiger system; and

(6) $11,742,000 is available only for the Software Engineering Institute.

SEC. 207. LIMITATIONS ON FUNDS FOR THE DEFENSE AGENCIES

(a) IN GENERAL.—Of the amount authorized in section 201 for the Defense Agencies—

(1) $300,000,000 is available only for the Joint Advanced Systems program;

(2) $81,250,000 is available only for the University Research Initiative program, of which $1,000,000 is available only for computer and related research at Syracuse University, Syracuse, New York;

(3) $1,000,000 is available for use by the Defense Logistics Agency to conduct a demonstration of advanced clothing manufacturing technology and to procure and field test military clothing produced using advanced manufacturing techniques;

(4) $500,000 is available only for use by the Defense Logistics Agency for the Military Sewn Products Automation Program (MILSPA); and

(5) $142,000,000 is available only for the Strategic Computing Initiative.

(b) LIMITATION OF FUNDS FOR THE JOINT TACTICAL INFORMATION DISTRIBUTION SYSTEM (JTIDS).—Of the amount authorized in section 201 for the Defense Agencies, $200,000,000 is available only for research and development of a common Joint Tactical Information Distribution System (JTIDS) program. None of such amount may be obligated or expended until the Secretary of Defense selects a single JTIDS program to meet the operational requirements of both the Navy and the Air Force. If the Secretary of Defense determines that such a selection is not feasible or is not practicable, the Secretary shall submit to the Committees on Armed Services of the Senate and House of Representatives a report in writing setting forth the specific reasons for not proceeding with a common JTIDS program. The Secretary may not obligate or expend funds for the development or procurement of separate JTIDS programs for the Navy and Air Force until seven days of continuous session of Congress have expired following the date on which such report was submitted. For purposes of the preceding sentence, continuity of a session of Congress is determined as provided in section 7307(b)(2) of title 10, United States Code.

SEC. 208. TESTING OF ANTISATELLITE WEAPONS AND SPACE SURVIVABILITY PROGRAM

(a) Requirement Regarding the Use of Funds.—None of the funds appropriated pursuant to an authorization in this or any other Act may be obligated or expended to test against an object in space the miniature homing vehicle (MHV) antisatellite warhead launched from an F-15 aircraft unless the President has made a determination and a certification to the Congress as provided in section 8100 of the Department of Defense Appropriations Act 1985 (as contained in section 101(h) of Public Law 98-473 (98 Stat. 1941)).

(b) Limitation on Number of Tests.—Not more than three tests described in subsection (a) may be conducted before October 1, 1986.

(c) Funding for Air Force Space Survivability Program.—Of the amount authorized to be appropriated for the Air Force in section 201, $15,000,000 is available only for the satellite survivability project of the Air Force Space Survivability Program.

SEC. 209. SMALL INTERCONTINENTAL BALLISTIC MISSILE PROGRAM

(a) Amount Authorized for FY86.—Of the amount authorized in section 201 for the Air Force, $724,500,000 is available only for research, development, test, and evaluation carried out with respect to the small mobile intercontinental ballistic missile within the intercontinental ballistic missile modernization program.

(b) Maintenance of Priority for Small Mobile ICBM Program.—The Secretary of Defense shall continue to carry out the program to develop a small mobile intercontinental ballistic missile, and to provide for the allocation of defense industrial resources for that program, in accordance with the priority for that program (known as "Brick-Bat") in effect on June 1, 1985, under the system provided by existing laws and regulations for determining relative program precedence for assignment of production resources.

(c) Procedures Required Before Decisions on Full-Scale Development and Basing Site Selection for Small ICBM.—(1) Before any decision may be made by the President or the Secretary of Defense with regard to the full-scale development of a small intercontinental ballistic missile or the selection of basing areas for the deployment of such missile, the Secretary of the Air Force shall prepare and submit to the appropriate committees of Congress a legislative environmental impact statement with respect to such development and such selection. In making any such decision, the President and the Secretary of Defense shall take into consideration the findings and conclusions contained in any such report.

(2) The legislative environmental impact statement required by paragraph (1) shall be prepared in accordance with the requirements applicable to such statements prepared under section 1506.8 of title 40 of the Code of Federal Regulations (as in effect on May 16, 1985).

(3) A legislative environmental impact statement prepared and submitted to the appropriate committees pursuant to paragraph (1) shall be deemed to meet all the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) with respect to all aspects of the full-scale development of a small intercontinental ballistic missile and the selection of basing areas for the deployment of such missile.

(4) Preparation of a legislative environmental impact statement pursuant to paragraph (1) shall not relieve the Secretary of Defense from any obligation for the subsequent preparation of administrative environmental impact statements with respect to the environmental impact on specifically selected sites within the chosen areas for the deployment and peacetime operation of small intercontinental ballistic missiles.

SEC. 210. ADVANCED MEDIUM-RANGE AIR-TO-AIR MISSILE (AMRAAM) SYSTEM

(a) LIMITATION ON FUNDING.—(1) Of the amount authorized in section 201 for the Air Force, $101,382,000 is available for the Advanced Medium-Range Air-to-Air Missile (AMRAAM) program.

(2) Of the amount appropriated pursuant to the authorization in section 201 for the Air Force, $54,382,000 may not be obligated or expended until the Secretary of Defense submits to the Committees on Armed Services of the Senate and House of Representatives a certification as described in subsection (b).

(b) CERTIFICATION.—A certification under subsection (a) shall be in writing and shall include confirmation by the Secretary of the following:

(1) That (A) the design of the AMRAAM system has been completed, (B) system performance has not been degraded from the original development specification (DS 32050-000, as amended by the draft Development Concept Paper (DCP) of June 14, 1985), and (C) the flight test program has been revised to incorporate the maximum practicable number of selected changes in the design of the AMRAAM system that reduce the costs of the system and that are qualified and flight tested before production.

(2) That a fixed-price type contract for an amount not more than $556,580,480 has been entered into with the development contractor for research, development, test, and evaluation for such program.

(3) That the total production cost for the program, for a minimum of 17,000 missiles, will not exceed $5,200,000,000 (in fiscal year 1984 dollars) and that the missiles procured will perform in accordance with the development specification referred to in paragraph (1).

(c) NONCERTIFICATION.—If the Secretary of Defense cannot make a certification under subsection (a) by March 1, 1986, the AMRAAM program shall be terminated as of that date with no subsequent Government liability.

SEC. 211. HIGH-SPEED ANTI-RADIATION MISSILE (HARM) PROGRAM

(a) LIMITATION ON NAVY FUNDING.—Of the amount appropriated pursuant to the authorization in section 201 for the Navy (including the Marine Corps), $100,000,000 may not be obligated or expended until the Secretary of the Navy submits to Congress a certification as described in subsection (c) or a report as described in subsection (d).

(b) LIMITATION ON AIR FORCE FUNDING.—Of the amount appropriated pursuant to the authorization in section 201 for the Air Force, $50,000,000 may not be obligated or expended until the Secretary of

the Air Force submits to Congress a certification as described in subsection (c) or a report as described in subsection (d).

(c) CERTIFICATION.—A certification under subsection (a) or (b) shall be in writing and shall include a certification by the Secretary concerned of the following:

(1) That the test and evaluation of the High-Speed Anti-Radiation Missile (HARM) shows conclusively that the missile system meets all performance specifications and objectives delineated in the HARM weapon system specification—AS 3400 Revision A, dated August 6, 1982.

(2) That a current production missile has been disassembled and that there is complete correlation with such missile and the current technical-data package (including the engineering drawings and software) and that HARM production missiles are being constructed to these drawings.

(3) That the HARM missile system is capable of engaging the intended threat as approved by the Director of Central Intelligence.

(4) That the program to develop the HARM low-cost seeker is structured to meet an intended Initial Operational Capability (IOC) date during 1991.

(d) REPORT ON DEFICIENCIES.—(1) If the Secretary of the Navy cannot make a certification under subsection (c) because of deficiencies in the HARM system, then the Secretary may obligate and expend funds without regard to the limitation in subsection (a) after submitting to Congress a written report described in paragraph (3).

(2) If the Secretary of the Air Force cannot make a certification under subsection (c) because of deficiencies in the HARM system, then the Secretary may obligate and expend funds without regard to the limitation in subsection (b) after submitting to Congress a written report described in paragraph (3).

(3) A report under paragraph (1) or (2) shall include—

(A) a detailed list of the deficiencies in the HARM system; and

(B) a plan to correct such deficiencies, including milestones and required levels of funding, and a request to Congress to reprogram funds for the purpose of correcting such deficiencies.

(e) PROHIBITION ON EXPENDITURES TO CORRECT SPECIFIED DEFICIENCES.—The Secretary of the Navy and the Secretary of the Air Force may not obligate or expend any funds to correct deficiencies in the HARM system in order to meet the weapons system performance specifications described in subsection (c)(1).

PART B—STRATEGIC DEFENSE INITIATIVE

SEC. 221. FUNDING FOR FISCAL YEAR 1986

Of the amount authorized in section 201 for the Defense Agencies, $2,750,000,000 is available for the Strategic Defense Initiative, of which $12,500,000 is available only for the medical application of free-electron lasers and associated material and physical science research.

SEC. 222. REQUIREMENT FOR SPECIFIC AUTHORIZATION FOR DEPLOYMENT OF STRATEGIC DEFENSE INITIATIVE SYSTEM

A strategic defense system developed as a consequence of research, development, test, and evaluation conducted on the Strategic Defense Initiative program may not be deployed in whole or in part unless—

(1) the President determines and certifies to Congress in writing that—

(A) the system is survivable (that is, the system is able to maintain a sufficient degree of effectiveness to fulfill its mission, even in the face of determined attacks against it); and

(B) the system is cost effective at the margin to the extent that the system is able to maintain its effectiveness against the offense at less cost than it would take to develop offensive countermeasures and proliferate the ballistic missiles necessary to overcome it; and

(2) funding for the deployment of such system has been specifically authorized by legislation enacted after the date on which the President makes the certification to Congress.

SEC. 223. REPORTS ON STRATEGIC DEFENSE INITIATIVE

(a) REPORT ON POTENTIAL RESPONSES TO SDI AND ON RDT&E COSTS.—(1) The Secretary of Defense shall submit to Congress a report as to—

(A) what probable responses can be expected from potential enemies should the Strategic Defense Initiative programs be carried out to procurement and deployment, such as what increase may be anticipated in offensive enemy weapons in an enemy's attempt to penetrate the defensive shield by increasing the numbers or qualities of its offensive weapons;

(B) what can be expected from potential enemies in the deployment of weapons not endangered by the Strategic Defense Initiative, such as cruise missiles and low trajectory submarine missiles;

(C) the degree of the dependency of success for the Strategic Defense Initiative upon a potential enemy's anti-satellite weapons capability; and

(D) the cost estimates for the research, development, test, and evaluation for the proposed Strategic Defense Initiative.

(2) The report required by paragraph (1) shall be submitted to Congress with the request of the Secretary of Defense for appropriations for the Strategic Defense Initiative for fiscal year 1987.

(b) REPORT ON PROCUREMENT AND DEPLOYMENT COSTS.—The Secretary of Defense shall submit to Congress a report on the cost estimates for procurement and deployment of Strategic Defense Initiative programs. The report shall be submitted as soon as possible, but not later than submission of the budget request of the Department of Defense for fiscal year 1989.

SEC. 224. CONGRESSIONAL POLICY REGARDING CONSULTATION WITH OTHER MEMBERS OF NATO ON THE STRATEGIC DEFENSE INITIATIVE

(a) COMMENDATION OF PRESIDENT'S ACTION.—The Congress commends the President's attempts to initiate cooperation between the

United States and other member nations of the North Atlantic Treaty Organization (NATO) on the Strategic Defense Initiative.

(b) Consultation and Cooperation With Other NATO Nations.—It is the sense of Congress—

(1) that the mutual defense of NATO member nations is strengthened when there is a high degree of consultation and cooperation among member nations; and

(2) that the President should continue consultations with other member nations of NATO on the Strategic Defense Initiative program and, to the maximum extent feasible and within national security guidelines, keep such member nations informed of the progress, plans, and potential proposals of the United States regarding such program.

SEC. 225. CONGRESSIONAL EXPRESSION ON THE STRATEGIC DEFENSE INITIATIVE AND THE ABM TREATY

(a) Findings Regarding ABM Treaty.—The Congress finds—

(1) that the President's Commission on Strategic Forces declared in its report to the President, dated March 21, 1984, that "One of the most successful arms control agreements is the Anti-Ballistic Missile Treaty of 1972"; and

(2) that the Secretary of State has stated that the "ABM Treaty requires consultations, and the President has explicitly recognized that any ABM-related deployments arising from research into ballistic missile defenses would be a matter for consultations and negotiation between the Parties".

(b) Sense of Congress Regarding SDI and the ABM Treaty.—It is the sense of Congress—

(1) that it fully supports the declared policy of the President that a principal objective of the United States in negotiations with the Soviet Union on nuclear and space arms is to reverse the erosion of the Anti-Ballistic Missile Treaty of 1972;

(2) that action by the Congress in approving funds for research on the Strategic Defense Initiative—

(A) does not express or imply an intention on the part of the Congress that the United States should abrogate, violate, or otherwise erode such treaty; and

(B) does not express or imply any determination or commitment on the part of the Congress that the United States develop, test, or deploy ballistic missile strategic defense weaponry that would contravene such treaty; and

(3) that funds appropriated for the Strategic Defense Initiative program should not be used in a manner inconsistent with any of the treaties commonly known as the Limited Test Ban Treaty, the Threshold Test Ban Treaty, the Outer Space Treaty, or the Anti-Ballistic Missile Treaty of 1972.

SEC. 226. REPORT ON STRATEGIC AND THEATER BALLISTIC MISSILE DEFENSES

(a) Requirement for Study.—The Secretary of Defense shall conduct a study to examine the feasibility and military value of the early application of defenses against ballistic missile attack from the standpoint of—

(1) defending high value United States and allied capabilities abroad; and

(2) defending United States strategic deterrent capabilities.

(b) Matters To Be Included in Study.—The study shall specifically address—

(1) the contribution such defenses could make to deterrence stability;

(2) the adequacy in this regard of existing programs, including in particular the Strategic Defense Initiative; and

(3) the adequacy of the Army's Anti-Tactical Missile (ATM) program for allied defense.

(c) Report on Study.—The Secretary of Defense shall submit to Congress a report containing the results of such study not later than February 15, 1986.

TITLE III—OPERATION AND MAINTENANCE

SEC. 301. AUTHORIZATION OF APPROPRIATIONS

(a) In General.—Funds are hereby authorized to be appropriated for fiscal year 1986 for the use of the Armed Forces and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance in amounts as follows:

For the Army, $19,177,351,000.

For the Navy, $24,608,847,000.

For the Marine Corps, $1,626,700,000.

For the Air Force, $20,096,089,000.

For the Defense Agencies, $7,553,333,000.

For the Army Reserve, $780,100,000.

For the Naval Reserve, $900,590,000.

For the Marine Corps Reserve, $57,170,000.

For the Air Force Reserve, $902,144,000.

For the Army National Guard, $1,625,780,000.

For the Air National Guard, $1,806,162,000.

For the National Board for the Promotion of Rifle Practice, $920,000.

For Defense Claims, $143,300,000.

For the Court of Military Appeals, $3,200,000.

(b) General Authorization for Contingencies.—There are authorized to be appropriated for fiscal year 1986, in addition to the amounts authorized to be appropriated in subsection (a), such sums as may be necessary—

(1) for unbudgeted increases in fuel costs;

(2) for unbudgeted increases as a result of inflation in the cost of activities authorized by subsection (a); and

(3) for unbudgeted amounts for salary, pay, retirement, and other employee benefits authorized by law for civilian employees of the Department of Defense whose compensation is provided for by funds authorized to be appropriated in subsection (a).

(c) Additional Authorization for Army National Guard.—In addition to the amounts authorized to be appropriated in subsection (a), there are authorized to be appropriated such sums as may be necessary for the Army National Guard for—

(1) armory operating costs;

(2) modification or repair of work space for full-time National Guard personnel; and

(3) partial Federal funding for major repair and renovation of National Guard facilities.

(d) Transfer of Funds.—Funds are hereby authorized to be transferred, to the extent provided in appropriation Acts, from the Foreign Currency Fluctuations, Defense fund to the operation and maintenance accounts of the military departments in amounts as follows:

For the Army, $156,000,000.
For the Navy, $156,000,000.
For the Air Force, $156,000,000.

SEC. 302. AUTHORIZATION OF APPROPRIATIONS FOR WORKING-CAPITAL FUNDS

Funds are hereby authorized to be appropriated for fiscal year 1986 to provide capital for working-capital funds of the Department of Defense in amounts as follows:

For the Army Stock Fund, $393,000,000.
For the Navy Stock Fund, $638,500,000.
For the Marine Corps Stock Fund, $37,700,000.
For the Air Force Stock Fund, $415,900,000.
For the Defense Stock Fund, $174,500,000.

SEC. 303. LIMITATION ON THE USE OF O&M FUNDS TO PURCHASE INVESTMENT ITEMS

Funds appropriated for fiscal year 1986 for operation and maintenance of the Department of Defense pursuant to the authorizations of appropriations in section 301 may not be used to purchase any item with a unit cost of $5,000 or more if purchases of such item during fiscal year 1985 were chargeable to appropriations made to the Department of Defense for procurement.

SEC. 304. ASSISTANCE FOR THE TENTH INTERNATIONAL PAN AMERICAN GAMES

(a) Authority to Provide Support Services.—The Secretary of Defense may—

(1) provide logistical support and personnel services to the Tenth Pan Am Games;

(2) lend and provide equipment in support of the Tenth Pan Am Games; and

(3) provide such other services in support of the Tenth Pan Am Games as the Secretary considers advisable.

(b) Authorization of Appropriations; Limitation.—(1) There is authorized to be appropriated to the Secretary of Defense for fiscal year 1986 an amount not to exceed $10,000,000 for the purpose of carrying out subsection (a).

(2) Except as provided in paragraph (3), funds may not be obligated for the purpose of carrying out subsection (a) unless specifically appropriated for such purpose.

(3) Paragraph (2) does not apply to funds used for pay and non-travel-related allowances for members of the Armed Forces (other than pay and allowances of members of the reserve components called or ordered to active duty to provide support for the Tenth Pan Am Games).

(4) The costs for pay and non-travel-related allowances of members of the Armed Forces (other than members of the reserve components called or ordered to active duty to provide support for the

Tenth Pan Am Games) may not be charged to appropriations made pursuant to the authorization in paragraph (1).

(c) Definition.—For the purposes of this section, the term "Tenth Pan Am Games" means the Tenth International Pan American Games, to be held at Indianapolis, Indiana, during the period beginning on August 7, 1987, and ending on August 23, 1987.

SEC. 305. AUTHORIZATION OF APPROPRIATIONS FOR TRANSPORTATION OF HUMANITARIAN RELIEF SUPPLIES TO AFGHAN REFUGEES

(a) Authorization of Funds.—There is hereby authorized to be appropriated to the Department of Defense for fiscal year 1986 the sum of $10,000,000 for the purpose of providing transportation for humanitarian relief for persons displaced or who are refugees because of the invasion of Afghanistan by the Soviet Union.

(b) Transportation Under Direction of the Secretary of State.—Transportation provided with funds appropriated pursuant to the authorization in this section shall be under the direction of the Secretary of State.

(c) Means of Transportation To Be Used.—Transportation for humanitarian relief provided with funds appropriated pursuant to the authorization in this section shall be by the most economical commercial or military means available, unless the Secretary of State determines that it is in the national interest of the United States to use means other than the most economical available. Such means may include the use of aircraft and personnel of the reserve components of the Armed Forces.

SEC. 306. EXTENSION AND EXPANSION OF AUTHORITY OF THE SECRETARY OF DEFENSE TO TRANSPORT HUMANITARIAN RELIEF SUPPLIES TO CERTAIN COUNTRIES

(a) Section 1540(a) of the Department of Defense Authorization Act, 1985 (Public Law 98–525; 98 Stat. 2637), is amended—

(1) by striking out "fiscal year 1985" and inserting in lieu thereof "fiscal years 1985 and 1986"; and

(2) by striking out "Central America" and inserting in lieu thereof "any area of the world".

(b) The heading of section 1540 of such Act is amended to read as follows:

"AUTHORIZATION FOR SECRETARY OF DEFENSE TO TRANSPORT HUMANITARIAN RELIEF SUPPLIES TO FOREIGN COUNTRIES".

SEC. 307. LIMITATIONS CONCERNING AIR NATIONAL GUARD AND AIR FORCE RESERVE FLYING UNITS

Funds appropriated to or for the use of the Secretary of the Air Force may not be used to deactivate or divest of its flying mission any flying unit of the Air National Guard or the Air Force Reserve until—

(1) the Secretary has notified in writing the Committees on Armed Services of the Senate and House of Representatives of the Secretary's intent to expend funds for such purpose; and

(2) 60 days have elapsed following receipt of that notification.

SEC. 308. COMMISSARY AND EXCHANGE PRIVILEGES FOR SURVIVORS OF CERTAIN RESERVISTS

(a) Benefits for Certain Dependents.—The Secretary of Defense shall prescribe regulations to allow dependents of members of

the uniformed services described in subsection (b) to use commissary and exchange stores on the same basis as dependents of members of the uniformed services who die while on active duty for a period of more than 30 days.

(b) COVERED DEPENDENTS.—A dependent referred to in subsection (a) is a dependent of a member of a uniformed service who died—

(1) while on active duty, active duty for training, or inactive duty training (regardless of the period of such duty); or

(B) while traveling to or from the place at which the member is to perform, or has performed, active duty, active duty for training, or inactive duty training (regardless of the period of such duty).

(c) DEFINITION.—For the purposes of this section, the term "uniformed services" has the meanings given such terms in section 101 of title 37, United States Code.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

PART A—ACTIVE FORCES

SEC. 401. AUTHORIZATION OF END STRENGTHS

The Armed Forces are authorized strengths for active-duty personnel as of September 30, 1986, as follows:

(1) The Army, 780,800.
(2) The Navy, 581,300.
(3) The Marine Corps, 198,800.
(4) The Air Force, 606,470.

SEC. 402. EXTENSION OF QUALITY CONTROL ON ENLISTMENTS INTO THE ARMY

Effective on October 1, 1985, section 302(a) of the Department of Defense Authorization Act, 1981 (10 U.S.C. 520 note), is amended by striking out "October 1, 1984" and "September 30, 1985" and inserting in lieu thereof "October 1, 1985" and "September 30, 1986", respectively.

PART B—RESERVE FORCES

SEC. 411. AUTHORIZATION OF AVERAGE STRENGTHS FOR SELECTED RESERVE

(a) IN GENERAL.—For fiscal year 1986, the Selected Reserve of the reserve components of the Armed Forces shall be programmed to attain average strengths of not less than the following:

(1) The Army National Guard of the United States, 440,025.
(2) The Army Reserve, 290,639.
(3) The Naval Reserve, 134,212.
(4) The Marine Corps Reserve, 41,900.
(5) The Air National Guard of the United States, 108,700.
(6) The Air Force Reserve, 75,600.
(7) The Coast Guard Reserve, 12,500.

(b) ADJUSTMENTS.—The average strengths prescribed by subsection (a) for the Selected Reserve of any reserve component shall be proportionately reduced by (1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at any time during the fiscal year, and (2) the total number of individual mem-

bers not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at any time during the fiscal year. Whenever such units or such individual members are released from active duty during any fiscal year, the average strength prescribed for such fiscal year for the Selected Reserve of such reserve component shall be proportionately increased by the total authorized strength of such units and by the total number of such individual members.

SEC. 412. AUTHORIZATION OF END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVE COMPONENTS

(a) In General.—Within the average strengths prescribed in section 411, the reserve components of the Armed Forces are authorized, as of September 30, 1986, the following number of Reserves to be serving on full-time active duty or, in the case of members of the National Guard, on full-time National Guard duty for the purpose of organizing, administering, recruiting, instructing, or training the reserve components or the National Guard:

(1) The Army National Guard of the United States, 23,731.
(2) The Army Reserve, 12,157.
(3) The Naval Reserve, 19,010.
(4) The Marine Corps Reserve, 1,475.
(5) The Air National Guard of the United States, 7,269.
(6) The Air Force Reserve, 635.

(b) Authority To Increase End-Strength Limit.—Upon a determination by the Secretary of Defense that such action is in the national interest, the end strengths prescribed by subsection (a) may be increased by a total of not more than the number equal to 2 percent of the total end strengths prescribed.

SEC. 413. INCREASE IN NUMBER OF CERTAIN PERSONNEL AUTHORIZED TO BE ON ACTIVE DUTY IN SUPPORT OF THE RESERVE COMPONENTS

(a) Senior Enlisted Members.—The table in section 517(b) of title 10, United States Code, is amended to read as follows:

"Grade	*Army*	*Navy*	*Air Force*	*Marine Corps*
E–9	*517*	*165*	*80*	*9*
E–8	*2,295*	*381*	*358*	*74".*

(b) Officers.—The table in section 524(a) of such title is amended to read as follows:

"Grade	*Army*	*Navy*	*Air Force*	*Marine Corps*
Major or Lieutenant Commander	*2,317*	*850*	*476*	*100*
Lieutenant Colonel or Commander	*1,152*	*520*	*318*	*60*
Colonel or Navy Captain	*348*	*177*	*189*	*25".*

(c) Effective Date.—The amendments made by subsections (a) and (b) shall take effect on October 1, 1985.

Part C—Military Training

SEC. 421. AUTHORIZATION OF TRAINING STUDENT LOADS

(a) In General.—For fiscal year 1986, the components of the Armed Forces are authorized average military training student loads as follows:

(1) The Army, 79,686.
(2) The Navy, 71,018.
(3) The Marine Corps, 20,766.
(4) The Air Force, 43,389.
(5) The Army National Guard of the United States, 18,886.
(6) The Army Reserve, 16,985.
(7) The Naval Reserve, 3,355.
(8) The Marine Corps Reserve, 3,790.
(9) The Air National Guard of the United States, 2,751.
(10) The Air Force Reserve, 2,118.

(b) Adjustments.—The average military student loads for the Army, the Navy, the Marine Corps, and the Air Force and the reserve components authorized in subsection (a) for fiscal year 1986 shall be adjusted consistent with the personnel strengths authorized in parts A and B. Such adjustment shall be apportioned among the Army, the Navy, the Marine Corps, and the Air Force and the reserve components in such manner as the Secretary of Defense shall prescribe.

TITLE V—DEFENSE PERSONNEL POLICY

Part A—Civilian Personnel

SEC. 501. WAIVER OF CIVILIAN PERSONNEL CEILINGS FOR FISCAL YEAR 1986

The provisions of section 138(c)(2) of title 10, United States Code, shall not apply with respect to fiscal year 1986 or with respect to the appropriation of funds for that year.

SEC. 502. PROHIBITION ON MANAGING CIVILIAN PERSONNEL BY END-STRENGTHS DURING FISCAL YEAR 1986

(a) Prohibition.—During fiscal year 1986, the civilian personnel of the Department of Defense may not be managed on the basis of any end-strength, and the management of such personnel during that fiscal year shall not be subject to any constraint or limitation (known as an "end-strength") on the number of such personnel who may be employed on the last day of such fiscal year.

(b) FY86 Reports.—Not later than February 1, 1986, the Secretary of Defense and the Director of the Office of Management and Budget shall each submit to the Committees on Armed Services of the Senate and House of Representatives a report on the experience of the Department of Defense during fiscal years 1985 and 1986 (to the date of the report) concerning the management of civilian personnel of the Department without a congressionally imposed civilian end strength and with a statutory prohibition on the management during those fiscal years of such civilian personnel by end strength. Each such report shall include the views of the Secretary or Director, as appropriate, with respect to the desirability of managing such personnel in such a manner.

(c) Quarterly Reports.—(1) The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives quarterly reports on the obligation of funds appropriated for civilian personnel of the Department of Defense for fiscal year 1986. Each report shall include—

(A) for each appropriation account, the amounts authorized and appropriated for such personnel for fiscal year 1986;

(B) for each appropriation account and for the entire Department—

(i) the actual number of such personnel employed, and the amount of funds obligated for such personnel, as of the end of the fiscal year quarter described in the report; and

(ii) the projected number of such personnel to be employed, and the amount of funds that will be obligated for such personnel, as of the end of fiscal year 1986.

(2) Each report required by paragraph (1) shall be submitted as soon as possible after the end of the fiscal year quarter described in the report.

SEC. 503. EXERCISE OF CERTAIN AUTHORITIES RELATING TO CIVILIAN EMPLOYEES OF THE DEPARTMENT OF DEFENSE

(a) Findings.—The Congress finds—

(1) that in National Security Decision Directive 84, issued by the President on March 11, 1983, the President directed the Attorney General to establish, after consultation with the Director of the Office of Personnel Management, an interdepartmental group to—

(A) study security procedures in effect with respect to Federal employees; and

(B) recommend appropriate revisions in Executive orders, regulations, and guidelines pertaining to such procedures; and

(2) that on May 1, 1984, the interdepartmental group referred to in clause (1) requested, in a memorandum to the Assistant to the President for National Security Affairs, that guidance be furnished to the group on matters relating to the study referred to in paragraph (1)(A).

(b) Direction To Furnish Guidance.—Before the end of the 60-day period beginning on the date of the enactment of this Act, the President shall transmit to the interdepartmental group referred to in subsection (a) the guidance requested in the memorandum referred to in subsection (a)(2).

(c) Report Requirement.—Before the end of the 90-day period beginning on the date that the President transmits the guidance pursuant to subsection (b), the interdepartmental group shall transmit to Congress a report on its findings and recommendations.

(d) Authority of the Secretary of Defense.—Subject to subsection (e), the Secretary of Defense shall exercise the following authorities with respect to civilian employees of the Department of Defense:

(1) Authorities assigned to the Director of the Office of Personnel Management under section 5.2(a) of Executive Order Number 10577 (5 U.S.C. 3301 note), relating to investigation of the suitability of applicants.

(2) Authorities assigned to the Office of Personnel Management under Executive Order Number 10450 (5 U.S.C. 7311 note), relating to security requirements for Federal employees.

(e) AUTHORITY OF THE PRESIDENT.—(1) Subsection (d) shall not take effect if the President directs, on or before the date of the transmittal to Congress of the report described in subsection (c), that the authorities referred to in subsection (d) shall not be exercised by the Secretary of Defense.

(2) The authority of the President under paragraph (1) may not be delegated.

SEC. 504. MODIFICATION AND STUDY OF DEPARTMENT OF DEFENSE CIVILIAN PERSONNEL CLASSIFICATION AND PAY SYSTEMS

(a) CIVILIAN FACULTY MEMBERS OF AIR FORCE INSTITUTE OF TECHNOLOGY.—(1) Section 9314 of title 10, United States Code, is amended—

(A) by inserting "(a)" before "When"; and

(B) by adding at the end thereof the following new subsection:

"(b)(1) The Secretary of the Air Force may employ as many civilian faculty members at the United States Air Force Institute of Technology as is consistent with the needs of the Air Force and with Department of Defense personnel limits.

"(2) The Secretary shall prescribe regulations determining—

"(A) titles and duties of civilian members of the faculty; and

"(B) rates of basic pay of civilian members of the faculty, notwithstanding chapter 53 of title 5, but subject to the limitation set out in section 5308 of title 5.".

(2)(A) The heading of such section is amended by striking out the colon and the last word.

(B) The item relating to such section in the table of sections at the beginning of chapter 901 of such title is amended by striking out the colon and the last word.

(b) EXCLUSION FROM CIVIL SERVICE CLASSIFICATION SYSTEM.—Section 5102(c) of title 5, United States Code, is amended—

(1) by striking out "or" at the end of clause (26);

(2) by striking out the period at the end of clause (27) and inserting in lieu thereof "; or"; and

(3) by adding at the end thereof the following new clause:

"(28) civilian members of the faculty of the Air Force Institute of Technology whose pay is fixed under section 9314 of title 10.".

(c) TRANSITION.—Section 9314(b)(2) of title 10, United States Code (as added by subsection (a)(1)(B)), and section 5102(c)(28) of title 5, United States Code (as added by subsection (b)), shall not apply to any person who on the date of the enactment of this Act—

(1) is a civilian member of the faculty of the United States Air Force Institute of Technology;

(2) is paid a rate of basic pay under the General Schedule; and

(3) elects, under procedures prescribed by the Secretary of the Air Force, to continue to be paid under the General Schedule.

(d) REPORT.—Not later than December 31, 1985, the Secretary of Defense shall submit to Congress an evaluation of the effects of the pay and classification systems applicable to civilian employees of

the Department of Defense on recruitment and retention of scientists, engineers, technicians, and other highly skilled personnel in scientific and engineering organizations in the Department.

Part B—Active Military Personnel

SEC. 511. ADJUSTMENT IN MARINE CORPS OFFICER GRADE TABLE

(a) Increase in Authorized Number of Marine Corps Majors.—The table in section 523(a)(1) of title 10, United States Code, is amended by striking out "2,717", "2,936", "3,154", "3,373", and "3,591" in the items relating to the Marine Corps under the column headed "Major" and inserting in lieu thereof "2,766", "3,085", "3,404", "3,723", and "4,042", respectively.

(b) Effective Date.—The amendments made by subsection (a) shall take effect on October 1, 1985.

SEC. 512. SERVICE AGREEMENTS OF CADETS AND MIDSHIPMEN

(a) Military Academy.—Section 4348 of title 10, United States Code, relating to agreements of cadets at the United States Military Academy, is amended to read as follows:

"§ 4348. Cadets: agreement to serve as officer

"(a) Each cadet shall sign an agreement with respect to the cadet's length of service in the armed forces. The agreement shall provide that the cadet agrees to the following:

"(1) That the cadet will complete the course of instruction at the Academy.

"(2) That upon graduation from the Academy the cadet—

"(A) will accept an appointment, if tendered, as a commissioned officer of the Regular Army or the Regular Air Force; and

"(B) will serve on active duty for at least five years immediately after such appointment.

"(3) That if an appointment described in paragraph (2) is not tendered or if the cadet is permitted to resign as a regular officer before completion of the commissioned service obligation of the cadet, the cadet—

"(A) will accept an appointment as a commissioned officer as a Reserve for service in the Army Reserve or the Air Force Reserve; and

"(B) will remain in that reserve component until completion of the commissioned service obligation of the cadet.

"(b)(1) The Secretary of the Army may transfer to the Army Reserve, and may order to active duty for such period of time as the Secretary prescribes (but not to exceed four years), a cadet who breaches an agreement under subsection (a). The period of time for which a cadet is ordered to active duty under this paragraph may be determined without regard to section 651(a) of this title.

"(2) A cadet who is transferred to the Army Reserve under paragraph (1) shall be transferred in an appropriate enlisted grade or rating, as determined by the Secretary.

"(3) For the purposes of paragraph (1), a cadet shall be considered to have breached an agreement under subsection (a) if the cadet is separated from the Academy under circumstances which the Secretary determines constitute a breach by the cadet of the cadet's agree-

ment to complete the course of instruction at the Academy and accept an appointment as a commissioned officer upon graduation from the Academy.

"(c) The Secretary of the Army shall prescribe regulations to carry out this section. Those regulations shall include—

"(1) standards for determining what constitutes, for the purpose of subsection (b), a breach of an agreement under subsection (a);

"(2) procedures for determining whether such a breach has occurred; and

"(3) standards for determining the period of time for which a person may be ordered to serve on active duty under subsection (b).

"(d) In this section, 'commissioned service obligation', with respect to an officer who is a graduate of the Academy, means the period beginning on the date of the officer's appointment as a commissioned officer and ending on the sixth anniversary of such appointment or, at the discretion of the Secretary of Defense, any later date up to the eighth anniversary of such appointment.

"(e)(1) This section does not apply to a cadet who is not a citizen or national of the United States.

"(2) In the case of a cadet who is a minor and who has parents or a guardian, the cadet may sign the agreement required by subsection (a) only with the consent of a parent or guardian.".

(b) NAVAL ACADEMY.—Section 6959 of such title, relating to agreements of midshipmen at the United States Naval Academy, is amended to read as follows:

"§ 6959. Midshipmen: agreement for length of service

"(a) Each midshipman shall sign an agreement with respect to the midshipman's length of service in the armed forces. The agreement shall provide that the midshipman agrees to the following:

"(1) That the midshipman will complete the course of instruction at the Naval Academy.

"(2) That upon graduation from the Naval Academy the midshipman—

"(A) will accept an appointment, if tendered, as a commissioned officer of the Regular Navy, the Regular Marine Corps, or the Regular Air Force; and

"(B) will serve on active duty for at least five years immediately after such appointment.

"(3) That if an appointment described in paragraph (2) is not tendered or if the midshipman is permitted to resign as a regular officer before completion of the commissioned service obligation of the midshipman, the midshipman—

"(A) will accept an appointment as a commissioned officer in the Naval Reserve or the Marine Corps Reserve or as a Reserve in the Air Force for service in the Air Force Reserve; and

"(B) will remain in that reserve component until completion of the commissioned service obligation of the midshipman.

"(b)(1) The Secretary of the Navy may transfer to the Naval Reserve or the Marine Corps Reserve, and may order to active duty for

such period of time as the Secretary prescribes (but not to exceed four years), a midshipman who breaches an agreement under subsection (a). The period of time for which a midshipman is ordered to active duty under this paragraph may be determined without regard to section 651(a) of this title.

"(2) A midshipman who is transferred to the Naval Reserve or Marine Corps Reserve under paragraph (1) shall be transferred in an appropriate enlisted grade or rating, as determined by the Secretary.

"(3) For the purposes of paragraph (1), a midshipman shall be considered to have breached an agreement under subsection (a) if the midshipman is separated from the Naval Academy under circumstances which the Secretary determines constitute a breach by the midshipman of the midshipman's agreement to complete the course of instruction at the Naval Academy and accept an appointment as a commissioned officer upon graduation from the Naval Academy.

"(c) The Secretary of the Navy shall prescribe regulations to carry out this section. Those regulations shall include—

"(1) standards for determining what constitutes, for the purpose of subsection (b), a breach of an agreement under subsection (a);

"(2) procedures for determining whether such a breach has occurred; and

"(3) standards for determining the period of time for which a person may be ordered to serve on active duty under subsection (b).

"(d) In this section, 'commissioned service obligation', with respect to an officer who is a graduate of the Academy, means the period beginning on the date of the officer's appointment as a commissioned officer and ending on the sixth anniversary of such appointment or, at the discretion of the Secretary of Defense, any later date up to the eighth anniversary of such appointment.

"(e)(1) This section does not apply to a midshipman who is not a citizen or national of the United States.

"(2) In the case of a midshipman who is a minor and who has parents or a guardian, the midshipman may sign the agreement required by subsection (a) only with the consent of a parent or guardian.".

(c) AIR FORCE ACADEMY.—Section 9348 of such title, relating to agreements of cadets at the United States Air Force Academy, is amended to read as follows:

"§ 9348. Cadets: agreement to serve as officer

"(a) Each cadet shall sign an agreement with respect to the cadet's length of service in the armed forces. The agreement shall provide that the cadet agrees to the following:

"(1) That the cadet will complete the course of instruction at the Academy.

"(2) That upon graduation from the Academy the cadet—

"(A) will accept an appointment, if tendered, as a commissioned officer of the Regular Air Force; and

"(B) will serve on active duty for at least five years immediately after such appointment.

"(3) That if an appointment described in paragraph (2) is not tendered or if the cadet is permitted to resign as a regular officer before completion of the commissioned service obligation of the cadet, the cadet—

"(A) will accept an appointment as a commissioned officer as a Reserve in the Air Force for service in the Air Force Reserve; and

"(B) will remain in that reserve component until completion of the commissioned service obligation of the cadet.

"(b)(1) The Secretary of the Air Force may transfer to the Air Force Reserve, and may order to active duty for such period of time as the Secretary prescribes (but not to exceed four years), a cadet who breaches an agreement under subsection (a). The period of time for which a cadet is ordered to active duty under this paragraph may be determined without regard to section 651(a) of this title.

"(2) A cadet who is transferred to the Air Force Reserve under paragraph (1) shall be transferred in an appropriate enlisted grade or rating, as determined by the Secretary.

"(3) For the purposes of paragraph (1), a cadet shall be considered to have breached an agreement under subsection (a) if the cadet is separated from the Academy under circumstances which the Secretary determines constitute a breach by the cadet of the cadet's agreement to complete the course of instruction at the Academy and accept an appointment as a commissioned officer upon graduation from the Academy.

"(c) The Secretary of the Air Force shall prescribe regulations to carry out this section. Those regulations shall include—

"(1) standards for determining what constitutes, for the purpose of subsection (b), a breach of an agreement under subsection (a);

"(2) procedures for determining whether such a breach has occurred; and

"(3) standards for determining the period of time for which a person may be ordered to serve on active duty under subsection (b).

"(d) In this section, 'commissioned service obligation', with respect to an officer who is a graduate of the Academy, means the period beginning on the date of the officer's appointment as a commissioned officer and ending on the sixth anniversary of such appointment or, at the discretion of the Secretary of Defense, any later date up to the eighth anniversary of such appointment.

"(e)(1) This section does not apply to a cadet who is not a citizen or national of the United States.

"(2) In the case of a cadet who is a minor and who has parents or a guardian, the cadet may sign the agreement required by subsection (a) only with the consent of a parent or guardian.".

(d) Deadline for Regulations.—The Secretary of each military department shall prescribe the regulations required by section 4348(c), 6959(c), or 9348(c), as appropriate, of title 10, United States Code (as added by the amendments made by subsections (a), (b), and (c)) not later than the end of the 90-day period beginning on the date of the enactment of this Act.

(e) APPLICABILITY OF AMENDMENTS.—The amendments made by subsections (a), (b), and (c) (other than with respect to the authority of the Secretary of a military department to prescribe regulations)—

(1) shall take effect with respect to each military department on the date on which regulations prescribed by the Secretary of that military department in accordance with subsection (d) take effect; and

(2) shall apply with respect to each agreement entered into under sections 4348, 6959, and 9348, respectively, of title 10, United States Code, that is entered into on or after the effective date of such regulations and shall apply with respect to each such agreement that was entered into before the effective date of such regulations by an individual who is a cadet or midshipman on such date.

SEC. 513. TRANSFERS TO AND FROM TEMPORARY DISABILITY RETIRED LIST

(a) IMPROVEMENTS IN ADMINISTRATION OF TEMPORARY DISABILITY RETIRED LIST.—Chapter 61 of title 10, United States Code, relating to retirement or separation for physical disability, is amended as follows:

(1)(A) Sections 1201(1) and 1204(1) are amended by inserting "and stable" after "permanent nature".

(B) Sections 1202 and 1205 are amended by inserting "and stable" after "permanent nature" the first place it appears in each section.

(2) Section 1210 is amended—

(A) by inserting "and stable" in subsections (b), (c), and (d) after "permanent nature"; and

(B) in subsection (f)—

(i) by inserting "(1)" after "(f)"; and

(ii) by striking out "and rating" and all that follows and inserting in lieu thereof "or rating, the Secretary shall—

"(A) treat the member as provided in section 1211 of this title; or

"(B) discharge the member, retire the member, or transfer the member to the Fleet Reserve, Fleet Marine Corps Reserve, or inactive Reserve under any other law if, under that law, the member—

"(i) applies for and qualifies for that retirement or transfer; or

"(ii) is required to be discharged, retired, or eliminated from an active status.

"(2)(A) For the purpose of paragraph (1)(B), a member shall be considered qualified for retirement or transfer to the Fleet Reserve or Fleet Marine Corps Reserve or is required to be discharged, retired, or eliminated from an active status if, were the member reappointed or reenlisted under section 1211 of this title, the member would in all other respects be qualified for or would be required to be retired, transferred to the Fleet Reserve or Fleet Marine Corps Reserve, discharged, or eliminated from an active status under any other provision of law.

"(B) The grade of a member retired, transferred, discharged, or eliminated from an active status pursuant to paragraph (1)(B) shall be determined under the provisions of law under which the member is retired, transferred, discharged, or eliminated. The member's retired, retainer, severance, readjustment, or separation pay shall be computed as if the member had been reappointed or reenlisted upon removal from the temporary disability retired list and before the retirement, transfer, discharge, or elimination. Notwithstanding section 8301 of title 5, a member who is retired shall be entitled to retired pay effective on the day after the last day on which the member is entitled to disability retired pay.".

(3) The second sentence of section 1211(c) is amended—

(A) by inserting "and if the member is not discharged, retired, or transferred to the Fleet Reserve or Fleet Marine Corps Reserve or inactive Reserve under section 1210 of this title," after "subsection (a) or (b),"; and

(B) by inserting "and the member shall be discharged" before the period.

(b) CONFORMING AMENDMENT.—Section 1448(c) of such title is amended by inserting "disability" before "retired pay".

SEC. 514. CHANGE IN TITLE OF GRADE OF COMMODORE TO REAR ADMIRAL (LOWER HALF)

(a) CHANGE IN TITLE.—(1) Section 5501 of title 10, United States Code, is amended by striking out "Commodore" in clause (4) and inserting in lieu thereof "Rear admiral (lower half)".

(2) Section 41 of title 14, United States Code, is amended by striking out "commodores" and inserting in lieu thereof "rear admirals (lower half)".

(3) Section 24 of the Coast and Geodetic Survey Commissioned Officers' Act of 1948 (33 U.S.C. 853u) is amended by striking out "commodore" each place it appears and inserting in lieu thereof "rear admiral (lower half)".

(b) CONFORMING AMENDMENTS TO TITLE 10.—(1) The following sections of title 10, United States Code, are amended by striking out "commodore" each place it appears and inserting in lieu thereof "rear admiral (lower half)": 101(41), 525(a), 601(c)(2), 611(a), 612(a)(3), 619(a)(2)(B), 619(c)(2)(A)(ii), 625(a), 625(c), 634, 635, 637(b)(2), 638(a)(3), 638(b), 638(c), 645(1)(A)(ii), 5138(a), 5149(b), 5442, 5444, 5457(a), and 6389(f).

(2) Section 5444 of such title is amended by striking out "commodores" in subsections (a) and (f) and inserting in lieu thereof "rear admirals (lower half)".

(3) The tables in sections 5442(a) and 5444(a) of such title are amended by striking out "commodores" and inserting in lieu thereof "rear admirals (lower half)".

(4)(A) The heading of section 625 of such title is amended to read as follows:

"§ 625. Authority to vacate promotions to grades of brigadier general and rear admiral (lower half)".

(B) The item relating to such section in the table of sections at the beginning of subchapter II of chapter 36 of such title is amended to read as follows:

"625. Authority to vacate promotions to grades of brigadier general and rear admiral (lower half).".

(5)(A) The heading of section 635 of such title is amended to read as follows:

"§ 635. Retirement for years of service: regular brigadier generals and rear admirals (lower half)".

(B) The item relating to such section in the table of sections at the beginning of subchapter III of chapter 36 of such title is amended to read as follows:

"635. Retirement for years of service: regular brigadier generals and rear admirals (lower half).".

(6)(A) The heading of section 5442 of such title is amended to read as follows:

"§ 5442. Navy: line officers on active duty: rear admirals (lower half) and rear admirals".

(B) The item relating to such section in the table of sections at the beginning of chapter 533 of such title is amended to read as follows:

"5442. Navy: line officers on active duty; rear admirals (lower half) and rear admirals.".

(7)(A) The heading of section 5444 of such title is amended to read as follows:

"§ 5444. Navy: staff corps officers on active duty; rear admirals (lower half) and rear admirals".

(B) The item relating to such section in the table of sections at the beginning of chapter 533 of such title is amended to read as follows:

"5444. Navy: staff corps officers on active duty; rear admirals (lower half) and rear admirals.".

(8) The table in section 741(a) of such title is amended by striking out "Commodore" and inserting in lieu thereof "Rear admiral (lower half)".

(c) CONFORMING AMENDMENTS TO TITLE 14.—(1) The following sections of title 14, United States Code, are amended by striking out "commodore" each place it appears and inserting in lieu thereof "rear admiral (lower half)": 42(b), 256(a), 259(b), 271(d), 289(a), 290(a), 421(b), 724(b), 729(e), 736(b), 740(a), 742(b), and 743.

(2)(A) The heading of section 290 of such title is amended to read as follows:

"§ 290. Rear admirals and rear admirals (lower half); continuation on active duty; involuntary retirement".

(B) The item relating to such section in the table of sections at the beginning of chapter 11 of such title is amended to read as follows:

"290. Rear admirals and rear admirals (lower half); continuation on active duty; involuntary retirement.".

(3)(A) The heading of section 743 of such title is amended to read as follows:

"§ 743. Rear admiral and rear admiral (lower half); maximum service in grade".

(B) The item relating to such section in the table of sections at the beginning of chapter 21 of such title is amended to read as follows:

"743. Rear admiral and rear admiral (lower half); maximum service in grade.".

(d) Conforming Amendments to Title 37.—(1) The table in section 201(a) of title 37, United States Code, is amended by striking out "Commodore" in the third column and inserting in lieu thereof "Rear admiral (lower half)".

(2)(A) Section 202 of such title is amended by striking out "commodore" and inserting in lieu thereof "rear admiral (lower half)".

(B) The heading of such section is amended to read as follows:

"§ 202. Pay grades: retired Coast Guard rear admirals (lower half)".

(C) The item relating to such section in the table of sections at the beginning of chapter 3 of such title is amended to read as follows:

"202. Pay grades: retired Coast Guard rear admirals (lower half).".

(e) Transition Provision.—(1) An officer who on the day before the date of the enactment of this Act is serving in or has the grade of commodore shall as of the date of the enactment of this Act be serving in or have the grade of rear admiral (lower half).

(2) An officer who on the day before the date of the enactment of this Act is on a list of officers selected for promotion to the grade of commodore shall as of the date of the enactment of this Act be considered to be on a list of officers selected for promotion to the grade of rear admiral (lower half).

SEC. 515. TEMPORARY INCREASE IN THE NUMBER OF GENERAL AND FLAG OFFICERS AUTHORIZED TO BE ON ACTIVE DUTY IN THREE- AND FOUR-STAR GRADES

During fiscal year 1986, the numbers of officers authorized under section 525(b) of title 10, United States Code, to be on active duty in grades above major general and rear admiral are increased as follows:

(1) Army Lieutenant Generals.—The number of officers of the Army authorized to be serving on active duty in grades above major general is increased by one during any period of that fiscal year that an officer of the Army is serving as the Director of the Department of Defense Task Force on Drug Enforcement. An additional officer in a grade above major general by reason of this paragraph may not be in the grade of general.

(2) Air Force Generals.—The number of officers of the Air Force authorized to be serving on active duty in the grade of general is increased by one.

(3) Navy Vice Admirals.—The number of officers of the Navy authorized to be serving on active duty in a grade above rear admiral is increased by three. None of the additional officers in grades above rear admiral by reason of this paragraph may be in the grade of admiral.

(4) Marine Corps General Officers.—The number of officers of the Marine Corps authorized to be serving on active duty in grades above major general is increased by one, plus an additional one during any period of that fiscal year that an officer of the Marine Corps is serving as the Commander-in-Chief of the United States Central Command. An additional officer in a grade above major general by reason of this paragraph may not be in the grade of general, unless a Marine Corps officer is serving as the Commander-in-Chief of the United States Central Command, in which case one of

the additional officers authorized by this paragraph may serve in the grade of general.

SEC. 516. GRADE OF RETIRED REGULAR MEMBERS RECALLED TO ACTIVE DUTY

Section 688 of title 10, United States Code, is amended by adding at the end thereof the following new subsection:

"(d)(1) Except as provided in paragraph (2), a retired member ordered to active duty under this section shall be ordered to active duty in his retired grade.

"(2) A retired member ordered to active duty under this section whose retired grade is above the grade of major general or rear admiral shall be ordered to active duty in the highest permanent grade held by such member while serving on active duty.".

PART C—RESERVE MILITARY PERSONNEL

SEC. 521. EXTENSION OF CERTAIN RESERVE OFFICER MANAGEMENT PROGRAMS

(a) GRADE DETERMINATION FOR RESERVE MEDICAL OFFICERS.—Sections 3359(b) and 8359(b) of title 10, United States Code, are amended by striking out "September 30, 1985" and inserting in lieu thereof "September 30, 1987".

(b) PROMOTION OF CERTAIN RESERVE OFFICERS SERVING ON ACTIVE DUTY.—Sections 3380(d) and 8380(d) of such title are amended by striking out "September 30, 1985" and inserting in lieu thereof "September 30, 1987".

(c) YEARS OF SERVICE FOR MANDATORY TRANSFER TO THE RETIRED RESERVE.—Section 1016(d) of the Department of Defense Authorization Act, 1984 (Public Law 98-94; 97 Stat. 668), is amended by striking out "September 30, 1985" and inserting in lieu thereof "September 30, 1987".

SEC. 522. RETENTION UNTIL AGE 60 OF RESERVE CIVILIAN TECHNICIANS

(a) ARMY.—(1) Section 3848(c) of title 10, United States Code, relating to reserve component officers of the Army who may be removed from an active status after completing 28 years of service, is amended to read as follows:

"(c) Notwithstanding subsections (a) and (b), the Secretary of the Army may authorize the retention in an active status until age 60 of an officer who would otherwise be removed from an active status under this section who—

> *"(1) is an officer of the Army National Guard of the United States assigned to a headquarters or headquarters detachment of a State or territory, the Commonwealth of Puerto Rico, the Canal Zone, or the District of Columbia; or*

"(2) is employed—

> *"(A) as a technician under section 709 of title 32 in a position for which membership in the National Guard is required as a condition of employment; or*
>
> *"(B) as a technician of the Army Reserve in a position for which membership in the Army Reserve is required as a condition of employment.".*

(2) Section 3851(c) of such title, relating to reserve component officers of the Army who may be removed from an active status after completing 30 years of service, is amended to read as follows:

"(c) Notwithstanding subsections (a) and (b), the Secretary of the Army may authorize the retention in an active status until age 60 of an officer who would otherwise be removed from an active status under this section who—

"(1) is an officer of the Army National Guard of the United States assigned to a headquarters or headquarters detachment of a State or territory, the Commonwealth of Puerto Rico, the Canal Zone, or the District of Columbia; or

"(2) is employed—

"(A) as a technician under section 709 of title 32 in a position for which membership in the National Guard is required as a condition of employment; or

"(B) as a technician of the Army Reserve in a position for which membership in the Army Reserve is required as a condition of employment.".

(b) AIR FORCE.—(1) Section 8848(c) of title 10, United States Code, relating to reserve component officers of the Air Force who may be removed from an active status after completing 28 years of service, is amended to read as follows:

"(c) Notwithstanding subsections (a) and (b), the Secretary of the Air Force may authorize the retention in an active status until age 60 of an officer who would otherwise be removed from an active status under this section who—

"(1) is employed as a technician under section 709 of title 32 in a position for which membership in the National Guard is required as a condition of employment; or

"(2) is employed as a technician of the Air Force Reserve in a position for which membership in the Air Force Reserve is required as a condition of employment.".

(2) Section 8851(c) of such title, relating to reserve component officers of the Air Force Reserve who may be removed from an active status after completing 30 years of service, is amended to read as follows:

"(c) Notwithstanding subsections (a) and (b), the Secretary of the Air Force may authorize the retention in an active status until age 60 of an officer who would otherwise be removed from an active status under this section who—

"(1) is employed as a technician under section 709 of title 32 in a position for which membership in the National Guard is required as a condition of employment; or

"(2) is employed as a technician of the Air Force Reserve in a position for which membership in the Air Force Reserve is required as a condition of employment.".

SEC. 523. AUTHORITY TO RETAIN IN ACTIVE STATUS UNTIL AGE 62 UP TO 10 ARMY RESERVE MAJOR GENERALS

Section 3852 of title 10, United States Code, relating to mandatory retirement or discharge of reserve major generals, is amended—

(1) by inserting "(a)" at the beginning of the text of the section; and

(2) by adding at the end thereof the following new subsection:

"(b) Notwithstanding subsection (a), an officer in the reserve grade of major general who would otherwise be removed from an active status under this section may, in the discretion of the Secretary of

the Army, be retained in an active status, but not later than the date on which he becomes 62 years of age. Not more than 10 officers may be retained under this subsection at any one time.".

SEC. 524. REQUIREMENT OF MUSTER TEST OF ARMY INDIVIDUAL READY RESERVE

(a) Requirement of Muster Test.—The Secretary of Defense shall conduct a test of the ability of the Army to muster members of the Individual Ready Reserve of the Army in time of war or national emergency. The test—

(1) shall be national in scope; and

(2) shall be conducted through voluntary calls to active duty.

(b) Report.—Not later than February 1, 1986, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the muster test. The report shall include the findings of the Secretary concerning—

(1) the availability and fitness for duty of members of the Army Individual Ready Reserve; and

(2) the adequacy of current call-up procedures.

Part D—Miscellaneous

SEC. 531. APPOINTMENTS OF WARRANT OFFICERS

(a) Regular Warrant Officers.—Section 555(b) of title 10, United States Code, is amended to read as follows:

"(b) Permanent appointments of regular warrant officers, W-1, shall be made by warrant by the Secretary concerned. Permanent appointments of regular chief warrant officers shall be made by commission by the President.".

(b) Reserve Warrant Officers.—Section 597(b) of such title is amended to read as follows:

"(b) Appointments made in the permanent reserve grade of warrant officer, W-1, shall be made by warrant by the Secretary concerned. Appointments made in a permanent reserve grade of chief warrant officer shall be made by commission by the Secretary concerned.".

(c) Transition.—(1) The amendments made by subsections (a) and (b) apply to any appointment of a warrant officer or chief warrant officer on or after the effective date of this section.

(2) An officer who on the effective date of this section is serving in a chief warrant officer grade under an appointment by warrant may be appointed in that grade by commission under section 555(b) or 597(b) of title 10, United States Code, as appropriate. The date of rank of an officer who receives an appointment under this paragraph is the date of rank for the officer's appointment by warrant to that grade.

(d) Effective Date.—This section takes effect six months after the date of the enactment of this Act.

SEC. 532. PRISONER-OF-WAR MEDAL

(a) Authority To Issue Prisoner-of-War Medal.—(1) Chapter 57 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 1128. Prisoner-of-war medal: issue

"(a) The Secretary concerned shall issue a prisoner-of-war medal to any person who, while serving in any capacity with the armed forces, was taken prisoner and held captive—

"(1) while engaged in an action against an enemy of the United States;

"(2) while engaged in military operations involving conflict with an opposing foreign force; or

"(3) while serving with friendly forces engaged in an armed conflict against an opposing armed force in which the United States is not a belligerent party.

"(b) The prisoner-of-war medal shall be of appropriate design, with ribbons and appurtenances.

"(c) In prescribing regulations establishing the order of precedence of awards and decorations authorized to be displayed on the uniforms of members of the armed forces, the Secretary concerned shall accord the prisoner-of-war medal a position of precedence, in relation to other awards and decorations authorized to be displayed—

"(1) immediately following decorations awarded for individual heroism, meritorious achievement, or meritorious service, and

"(2) before any other service medal, campaign medal, or service ribbon authorized to be displayed.

"(d) Not more than one prisoner-of-war medal may be issued to a person. However, for each succeeding service that would otherwise justify the issuance of such a medal, the Secretary concerned may issue a suitable device to be worn as the Secretary determines.

"(e) For a person to be eligible for issuance of a prisoner-of-war medal, the person's conduct must have been honorable for the period of captivity which serves as the basis for the issuance.

"(f) If a person dies before the issuance of a prisoner-of-war medal to which he is entitled, the medal may be issued to the person's representative, as designated by the Secretary concerned.

"(g) Under regulations to be prescribed by the Secretary concerned, a prisoner-of-war medal that is lost, destroyed, or rendered unfit for use without fault or neglect on the part of the person to whom it was issued may be replaced without charge.

"(h) The Secretary of Defense shall ensure that regulations prescribed by the Secretaries of the military departments under this section are uniform so far as practicable.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"1128. Prisoner-of-war medal: issue.".

(b) EFFECTIVE DATE.—Section 1128 of title 10, United States Code, as added by subsection (a), applies with respect to any person taken prisoner and held captive after April 5, 1917.

SEC. 533. CLARIFICATION OF PRECEDENCE OF THE AWARD OF THE PURPLE HEART

Section 1127 of title 10, United States Code, is amended by striking out "the lowest position accorded any award or decoration for valor" and inserting in lieu thereof "the bronze star".

SEC. 534. ESPIONAGE UNDER THE UCMJ

(a) NEW PUNITIVE ARTICLE.—Chapter 47 of title 10, United States Code (the Uniform Code of Military Justice), is amended by insert-

ing after section 906 (article 106) the following new subsection (article):

"§ 906a. Art. 106a. Espionage

"(a)(1) Any person subject to this chapter who, with intent or reason to believe that it is to be used to the injury of the United States or to the advantage of a foreign nation, communicates, delivers, or transmits, or attempts to communicate, deliver, or transmit, to any entity described in paragraph (2), either directly or indirectly, any thing described in paragraph (3) shall be punished as a court-martial may direct, except that if the accused is found guilty of an offense that directly concerns (A) nuclear weaponry, military spacecraft or satellites, early warning systems, or other means of defense or retaliation against large scale attack, (B) war plans, (C) communications intelligence or cryptographic information, or (D) any other major weapons system or major element of defense strategy, the accused shall be punished by death or such other punishment as a court-martial may direct.

"(2) An entity referred to in paragraph (1) is—

"(A) a foreign government;

"(B) a faction or party or military or naval force within a foreign country, whether recognized or unrecognized by the United States; or

"(C) a representative, officer, agent, employee, subject, or citizen of such a government, faction, party, or force.

"(3) A thing referred to in paragraph (1) is a document, writing, code book, signal book, sketch, photograph, photographic negative, blueprint, plan, map, model, note, instrument, appliance, or information relating to the national defense.

"(b)(1) No person may be sentenced by court-martial to suffer death for an offense under this section (article) unless—

"(A) the members of the court-martial unanimously find at least one of the aggravating factors set out in subsection (c); and

"(B) the members unanimously determine that any extenuating or mitigating circumstances are substantially outweighed by any aggravating circumstances, including the aggravating factors set out in subsection (c).

"(2) Findings under this subsection may be based on—

"(A) evidence introduced on the issue of guilt or innocence;

"(B) evidence introduced during the sentencing proceeding; or

"(C) all such evidence.

"(3) The accused shall be given broad latitude to present matters in extenuation and mitigation.

"(c) A sentence of death may be adjudged by a court-martial for an offense under this section (article) only if the members unanimously find, beyond a reasonable doubt, one or more of the following aggravating factors:

"(1) The accused has been convicted of another offense involving espionage or treason for which either a sentence of death or imprisonment for life was authorized by statute.

"(2) In the commission of the offense, the accused knowingly created a grave risk of substantial damage to the national security.

"(3) In the commission of the offense, the accused knowingly created a grave risk of death to another person.

"(4) Any other factor that may be prescribed by the President by regulations under section 836 of this title (article 36).".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter X of such chapter is amended by inserting after the item relating to section 906 (article 106) the following new item:

"906a. Art. 106a. Espionage.".

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

PART A—BASIC PAY AND ALLOWANCES

SEC. 601. MILITARY PAY RAISE FOR FISCAL YEAR 1986

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—Any adjustment required by section 1009 of title 37, United States Code, in elements of the compensation of members of the uniformed services to become effective during fiscal year 1986 shall not be made.

(b) THREE PERCENT PAY RAISE.—The rates of basic pay, basic allowance for subsistence, and basic allowance for quarters of members of the uniformed services are increased by 3 percent effective on October 1, 1985.

SEC. 602. ADJUSTMENTS IN VARIABLE HOUSING ALLOWANCE PROGRAM

(a) VHA FOR CERTAIN MEMBERS PAYING CHILD SUPPORT.—Subsection (a) of section 403a of title 37, United States Code, is amended by adding at the end thereof the following new paragraph:

"(4) In the case of a member with dependents—

"(A) who is assigned to duty inside the United States;

"(B) who is authorized to receive the basic allowance for quarters at the rate established for a member with dependents solely by reason of the payment of child support by the member; and

"(C) who is not assigned to a housing facility under the jurisdiction of a uniformed service,

the member may be paid a variable housing allowance at the rate applicable to a member without dependents serving in the same grade and at the same location.".

(b) LIMITATIONS ON VHA.—Subsection (b) of such section is amended—

(1) by striking out "is not entitled to" in the matter preceding paragraph (1) and inserting in lieu thereof "may not be paid"; and

(2) by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) in the case of a member with dependents who is authorized the basic allowance for quarters at the rate established for a member with dependents solely by reason of the payment of child support by the member, if—

"(A) the member is assigned to a housing facility under the jurisdiction of a uniformed service; or

"(B) the member (i) is assigned to duty outside the United States or in Alaska or Hawaii, and (ii) is authorized a station housing allowance under section 405 of this title; or".

(c) CLARIFICATION OF AUTHORITY TO PAY VHA AT WITH-DEPENDENTS RATE; ELIMINATION OF EXCESS HOUSING COST PAYMENTS.—(1)

Subsection (c) of such section is amended by inserting "and with the same dependency status" in paragraph (1) after "in the same pay grade" both places it appears and in paragraph (4) after "in the same pay grade" both places it appears.

(2) Such subsection is further amended by adding at the end thereof the following new paragraph:

"(6)(A) The monthly variable housing allowance that would otherwise be paid to a member under this section shall be reduced by an amount equal to one-half of the amount (if any) by which—

"(i) the total monthly housing allowance prescribed for members of the same grade as such member who are assigned to duty in the same area as such member (or in the same area in which the dependents of the member reside, as appropriate); exceeds

"(ii) the monthly housing costs of the member in the area in which the member is assigned to duty (or in the area in which the dependents of the member reside, as appropriate).

"(B) In subparagraph (A), 'total monthly housing allowance' means, in the case of any member, the sum of—

"(i) the monthly basic allowance for quarters to which the member is entitled; and

"(ii) the monthly variable housing allowance prescribed for the same grade as such member for the area in which the member is assigned to duty (or in the area in which the dependents of the member reside, as appropriate).".

(d) REQUIRED REGULATIONS.—Subsection (e) of such section is amended by—

(1) inserting "(1)" before "The President"; and

(2) adding at the end thereof the following new paragraph:

"(2) Any regulations prescribed under paragraph (1) may not allow—

"(A) an increase in the variable housing allowance rate for a pay grade in a survey area solely to prevent the variable housing allowance rate for a lower pay grade in the survey area from exceeding such rate; or

"(B) a failure to lower the variable housing allowance rate for a pay grade in a survey area in accordance with a decrease in housing costs for such pay grade in such area reported on the variable housing allowance survey.

"(3) Paragraph (2) shall not apply to regulations prescribed with respect to any pay grade in a survey area for which available data describe fewer than 50 persons in the pay grade.".

(e) SAVINGS PROVISION.—A member described in paragraph (4) of section 403a(a) of title 37, United States Code, as added by subsection (a), who on September 30, 1985, is receiving variable housing allowance at the rate applicable to a member with dependents shall continue to be entitled to variable housing allowance at the appropriate rate applicable to a member with dependents until the member departs his duty station as a result of a permanent change of station.

(f) EFFECTIVE DATE.—(1) The amendments made by subsections (a), (b), and (d) shall take effect on October 1, 1985.

(2) The amendments made by subsection (c)(1) shall apply as if included in the enactment of section 403a of title 37, United States

Code, by section 602(d) of the Department of Defense Authorization Act, 1985 (Public Law 98-525).

(3) The amendment made by subsection (c)(2) shall take effect on the first day of the first month beginning 90 days or more after the date of the enactment of this Act.

SEC. 603. PAYMENT OF VARIABLE HOUSING ALLOWANCE IN ALASKA AND HAWAII

(a) REPEAL OF AUTHORITY FOR PAYMENT OF STATION HOUSING ALLOWANCE IN ALASKA AND HAWAII DURING FISCAL YEAR 1985.—Section 8108 of the Department of Defense Appropriations Act, 1985 (as contained in section 101(h) of Public Law 98-473 (98 Stat. 1943)), is repealed.

(b) CONFORMING AND TECHNICAL AMENDMENTS TO VHA TRANSITION PROVISION.—Paragraph (2) of section 602(f) of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2537), is amended to read as follows:

"(2)(A) A member shall be entitled to receive a station housing allowance under section 405 of title 37, United States Code, as if the amendments made by subsection (e) had not been enacted, if the member, on the date of the enactment of the Department of Defense Authorization Act, 1986—

"(i) is assigned to a permanent duty station in Alaska or Hawaii; and

"(ii) is entitled to payment of a temporary lodging allowance or a station housing allowance under section 405 of such title.

"(B) A member who is entitled to a station housing allowance by reason of subparagraph (A) shall only be entitled to such allowance until the earlier of—

"(i) the date on which the member departs that station as a result of a permanent change of duty station; or

"(ii) the expiration of the four-year period beginning on the date of the enactment of the Department of Defense Authorization Act, 1986.

"(C) Any member who is entitled to a station housing allowance by reason of subparagraph (A) shall not be entitled to a variable housing allowance under paragraph (1) or (2) of section 403a of such title (as added by subsection (d)).".

SEC. 604. AUTHORITY TO PAY BAQ AND VHA IN ADVANCE

(a) BASIC ALLOWANCE FOR QUARTERS.—Section 403(a) of title 37, United States Code, is amended by adding at the end thereof the following new sentence: "The allowance authorized by this section may be paid in advance.".

(b) VARIABLE HOUSING ALLOWANCE.—Section 403a(a)(1) of such title is amended by adding at the end thereof the following new sentence: "The allowance authorized by this section may be paid in advance.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1985.

SEC. 605. ELIGIBILITY FOR BASIC ALLOWANCE FOR QUARTERS

(a) MEMBERS WITHOUT DEPENDENTS ASSIGNED TO FIELD DUTY OR SEA DUTY.—Section 403(c) of title 37, United States Code, is amended—

(1) by striking out "is not entitled to a basic allowance for quarters while he is on field duty" in paragraph (1) and inserting in lieu thereof "who makes a permanent change of station for assignment to a unit conducting field operations is not entitled to a basic allowance for quarters while on that initial field duty";

(2) by striking out "and who is on sea duty" in the second sentence of paragraph (2) and all that follows and inserting in lieu thereof "who is assigned to sea duty under a permanent change of station is not entitled to a basic allowance for quarters if the unit to which the member is ordered is deployed and the permanent station of the unit is different than the permanent station from which the member is reporting."; and

(3) by striking out paragraph (3).

(b) EFFECTIVE DATES.—(1) The amendments made by paragraphs (1) and (2) of subsection (a) shall take effect on October 1, 1985.

(2) The amendment made by paragraph (3) of subsection (a) shall take effect on January 1, 1986.

SEC. 606. REIMBURSEMENT FOR ACCOMMODATIONS IN PLACE OF QUARTERS

(a) LIMITATION ON AMOUNT AVAILABLE FOR REIMBURSEMENT FOR FISCAL YEAR 1986.—Section 7572(b)(3) of title 10, United States Code, is amended—

(1) by striking out "and" after "fiscal year 1984,"; and

(2) by inserting ", and $1,421,000 for fiscal year 1986" after "fiscal year 1985".

(b) EXTENSION OF AUTHORITY.—Section 3 of Public Law 96-357 (10 U.S.C. 7572 note) is amended by striking out "September 30, 1985" and inserting in lieu thereof "September 30, 1986".

SEC. 607. INCREASE IN FAMILY SEPARATION ALLOWANCE

(a) MONTHLY ALLOWANCE.—Section 427(b) of title 37, United States Code, is amended by striking out "$30" and inserting in lieu thereof "$60".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1985, and shall apply only to family separation allowances payable for months beginning on or after that date.

PART B—TRAVEL AND TRANSPORTATION

SEC. 611. INCREASE IN DISLOCATION ALLOWANCE

(a) AMOUNT PAYABLE.—Section 407 of title 37, United States Code, is amended by striking out "one month" and inserting in lieu thereof "two months".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to moves begun after September 30, 1985.

SEC. 612. REVISION OF TRAVEL AND TRANSPORTATION ALLOWANCES

(a) IN GENERAL.—Subsection (d) of section 404 of title 37, United States Code, is amended—

(1) by striking out the first sentence and inserting in lieu thereof the following: "(1) The travel and transportation allowances authorized for each kind of travel may not be more than one of the following:

"(A) Transportation in kind, reimbursement therefor, or, under regulations prescribed by the Secretaries concerned, when travel by privately-owned conveyance is authorized or approved as more advantageous to the Government, a monetary allowance in place of the cost of transportation, at the rates provided in section 5704 of title 5, based on distances established over the shortest usually traveled route, under mileage tables prepared under the direction of the Secretary of the Army.

"(B) Transportation in kind, reimbursement therefor, or a monetary allowance as provided in subparagraph (A) of this paragraph, plus a per diem in place of subsistence in an amount not more than $50 determined by the Secretaries concerned to be sufficient to meet normal and necessary expenses in the area to which travel is to be performed.

"(C) A mileage allowance at a rate per mile prescribed by the Secretaries concerned and based on distances established under clause (1) of this subsection."; and

(2) by designating the second sentence as paragraph (2) and by striking out "clause (2)" in such sentence and inserting in lieu thereof "paragraph (1)(B)".

(b) TRANSPORTATION ALLOWANCE FOR DEPENDENTS.—Section 406(a)(1) of such title is amended by striking out "for his dependents" and all that follows through "to be prescribed" and inserting in lieu thereof ", reimbursement therefor, or a monetary allowance in place of the cost of transportation, plus a per diem, for the member's dependents at rates prescribed by the Secretaries concerned".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to travel performed after September 30, 1985.

SEC. 613. TEMPORARY LODGING EXPENSES

(a) ENTITLEMENT.—Section 404a(a) of title 37, United States Code, is amended—

(1) in the first sentence, by striking out "may" and inserting in lieu thereof "shall";

(2) in the second sentence, by striking out "may" the first place it appears and inserting in lieu thereof "are to"; and

(3) in the third sentence, by striking out "may" the first place it appears and inserting in lieu thereof "are to".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 1985.

SEC. 614. ALLOWANCES FOR TRANSPORTATION OF BAGGAGE AND HOUSEHOLD EFFECTS

(a) AUTHORITY TO PAY FOR CERTAIN LABOR PROVIDED BY MEMBER.—Section 406(k) of title 37, United States Code, is amended—

(1) by inserting "(1)" after "(k)";

(2) in the first sentence, by inserting "or in which a member provides all or a part of the labor in connection with the transportation of the baggage and household effects of the member (including packing, crating, and loading)" after "rental vehicle"; and

(3) by adding at the end thereof the following new paragraph:

"(2) The Secretary concerned may prescribe in any regulations authorizing the payment of a monetary allowance to a member who

participates in a program in which the member provides all or a part of the labor in connection with the transportation of the baggage and household effects of the member—

"(A) the extent to which payment to the member will be made for such labor, and

"(B) the manner in which liability will be allocated among the member, the United States, and the common carriers involved in the event of loss of or damage to any baggage or household effects packed, crated, or loaded by the member.".

(b) TERMINATION OF AUTHORITY.—The amendments made by subsection (a) shall expire on September 30, 1989.

(c) PROHIBITION ON RETROACTIVE PAYMENTS.—No allowance may be paid to any member of a uniformed service by virtue of the amendments made by subsection (a) in connection with the transportation of the baggage and household effects provided the member before the date of the enactment of this Act.

(d) REPORT REQUIREMENT.—The Secretary of Defense shall submit a report to the Congress not later than September 30, 1988, regarding the operation of any program carried out by the military departments under which payment of a monetary allowance is made to a member who provides all or a part of the labor in connection with the transportation of the baggage and household effects of the member and shall include in such report such recommendations for legislative action the Secretary considers appropriate.

SEC. 615. TRAVEL ALLOWANCE FOR TRAVEL PERFORMED IN CONNECTION WITH CERTAIN LEAVE

(a) IN GENERAL.—Section 411b(a)(1) of title 37, United States Code, is amended—

(1) by striking out "if he is a member without dependents,";

(2) by striking out ", if either" and all that follows and inserting in lieu thereof a period; and

(3) by adding at the end thereof the following new sentence: "Such allowances may be paid for the member and for the dependents of the member who are authorized to, and do, accompany him at his duty stations.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to orders to change a permanent station that are effective after September 30, 1985.

SEC. 616. TRAVEL DURING SHIP OVERHAUL

(a) IN GENERAL.—Section 406b of title 37, United States Code, is amended—

(1) by inserting "(a)" before "Under";

(2) by striking out ", ninety-first, and one hundred and fifty-first calendar day" and inserting in lieu thereof "calendar day, and every sixtieth calendar day after the thirty-first calendar day"; and

(3) by adding at the end thereof the following new subsections:

"(b) Transportation in kind, reimbursement for personally procured transportation, or a monetary allowance in place of the cost of transportation as provided in section 404(d)(1) of this title may be provided, in lieu of the member's entitlement to transportation, for the member's dependents from the location that was the home port

of the ship before commencement of overhaul or inactivation to the port of overhaul or inactivation. The total reimbursement for transportation for the member's dependents may not exceed the cost of Government-procured commercial roundtrip travel.

"(c) A member of the uniformed services on permanent duty aboard a ship which undergoes a change of home port to the overhaul or inactivation port and the member's dependents may be provided the transportation allowances prescribed in subsections (a) and (b) of this section in lieu of the transportation authorized by section 406 of this title and section 2634 of title 10.

"(d) Section 420 of this title does not apply with respect to transportation or allowances provided under this section.".

(b) EFFECTIVE DATE.—The travel allowances authorized by the amendments made by this section are payable only for travel that commences after September 30, 1985, but may be paid for members assigned to vessels being overhauled or inactivated away from home port on the date of the enactment of this Act.

(c) CLERICAL AMENDMENTS.—(1) The heading for such section is amended by striking out the last four words.

(2) The item relating to such section in the table of sections at the beginning of chapter 7 of such title is amended by striking out the last four words.

SEC. 617. DEFINITION OF RESIDENCE OF A STUDENT DEPENDENT

(a) IN GENERAL.—Section 406 of title 37, United States Code, is amended by adding at the end thereof the following new subsection:

"(l) For the purposes of this section, the residence of a dependent of a member who is a student not living with the member while at school shall be considered to be the permanent duty station of the member or the designated residence of dependents of the member if the member's dependents are not authorized to reside with the member.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to orders to change a permanent station that are effective after September 30, 1985.

SEC. 618. EXTENSION OF TEST PROGRAM FOR FLAT RATE PER DIEM SYSTEM

(a) AUTHORITY FOR TEST PROGRAM.—The Secretary concerned may carry out a program to test a flat rate per diem system for travel allowances for travel performed by members of the Armed Forces while on temporary duty.

(b) AMOUNT OF FLAT RATE.—Per diem allowances paid under such a test program shall be in an amount determined by the Secretary concerned to be sufficient to meet normal and necessary expenses in the area in which travel is performed, but may not exceed $75 for each day a member is in travel status within the continental United States.

(c) REGULATIONS.—The test program under this section shall be carried out under regulations prescribed by the Secretary concerned.

(d) DEFINITION OF SECRETARY CONCERNED.—For the purposes of this section, the term "Secretary concerned" means—

(1) the Secretary of each military department with respect to matters concerning the respective military departments; and

(2) the Secretary of Defense with respect to matters concerning the defense agencies.

(e) Duration of Program.—The test program under this section shall be carried out during the period beginning on October 1, 1985, and ending on September 30, 1986.

SEC. 619. TRAVEL AND TRANSPORTATION ALLOWANCES FOR TRAVEL WITHIN THE ADMINISTRATIVE LIMITS OF A MEMBER'S DUTY STATION

(a) Authority To Pay Parking Fees.—The second sentence of section 408 of title 37, United States Code, is amended by inserting "plus parking fees" after "fixed rate a mile".

(b) Effective Date.—The amendment made by subsection (a) shall apply with respect to parking fees incurred after September 30, 1985.

SEC. 620. TRANSPORTATION ALLOWANCES FOR SURVIVORS OF DECEASED MEMBER TO ATTEND BURIAL CEREMONIES OF DECEASED MEMBER

(a) Authority To Provide Round-Trip Travel Allowance.—(1) Chapter 7 of title 37, United States Code, is amended by inserting after section 411e the following new section:

"§ 411f. Travel and transportation allowances: transportation for survivors of deceased member to attend the member's burial ceremonies

"(a) Under uniform regulations prescribed by the Secretaries concerned, round trip travel and transportation allowances may be provided the dependents of a member who dies while on active duty for a period of 30 days or more in order to attend the burial ceremonies of the deceased member.

"(b)(1) Except as provided in paragraph (2), allowances under this section are limited to travel and transportation to a location in the United States, Puerto Rico, and the possessions of the United States and may not exceed the rates for 2 days.

"(2) If a deceased member was ordered or called to active duty from a place outside the United States, Puerto Rico, or the possessions of the United States, the allowances authorized under this section may be provided to and from such place and may be extended to accommodate the time necessary for such travel.

"(c) In this section, the term 'dependents' includes the dependents specified in paragraphs (1) and (2) of section 401 of this title. However, if no person qualifies under such paragraphs, the parents of a member (including stepparent or parent by adoption, or any person, including a former stepparent, who has stood in loco parentis to the member at any time for a continuous period of at least 5 years before the member became 21 years of age) may be paid the travel and transportation allowances authorized under this section.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 411e the following new item:

"411f. Travel and transportation allowances: transportation for survivors of deceased member to attend the member's burial ceremonies.".

(b) Effective Date.—The travel and transportation allowance authorized by the amendments made by this section is payable only for travel that commences after September 30, 1985.

PART C—BONUSES AND SPECIAL AND INCENTIVE PAYS

Subpart 1—Active Forces

SEC. 631. LUMP-SUM PAYMENTS OF SELECTIVE REENLISTMENT BONUSES

(a) SPECIFICATION OF MINIMUM TO BE PAID IN ADVANCE.—Paragraph (1) of section 308(b) of title 37, United States Code, is amended to read as follows:

"(b)(1) Not less than 75 percent of the amount of a bonus under this section shall be paid in a lump sum at the beginning of the period for which the bonus is paid, with any remaining amount paid in equal annual installments.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to bonuses paid for reenlistments or extensions of enlistment effective after September 30, 1986.

SEC. 632. SPECIAL PAY FOR NUCLEAR OFFICERS

(a) CONTINUATION PAY.—(1) Subsection (a) of section 312 of title 37, United States Code, is amended—

(A) by inserting "and" at the end of clause (2);

(B) by striking out clause (3);

(C) by redesignating clause (4) as clause (3) and striking out "for one period of four years" in such clause and inserting in lieu thereof "for a period of three, four, or five years, so long as the new period of obligated active service does not extend beyond the end of 26 years of commissioned service,"; and

(D) in the matter following such clause—

(i) by striking out "$7,000" and inserting in lieu thereof "$12,000";

(ii) by striking out "semiannually" and "six-month period" in the second sentence and inserting in lieu thereof "annually" and "12-month period", respectively; and

(iii) by striking out "shall become fixed" and all that follows through the end of subsection (a) and inserting in lieu thereof "shall be paid in equal annual installments over the length of the contract, commencing at the expiration of any existing period of obligated active service. The Secretary (or his designee) may accept an active service agreement under this section not more than one year in advance of the end of an officer's existing period of obligated active service under such an agreement. In such a case, the amount of the special pay may be paid commencing with the date of acceptance of the agreement, with the number of installments being equal to the number of years covered by the contract plus one.".

(2) Subsection (b) of such section is repealed.

(3) Subsection (c) of such section is redesignated as subsection (b) and is amended by striking out "of four years".

(4) Subsection (d) of such section is redesignated as subsection (c) and is amended—

(A) by striking out "four years"' in the second sentence; and

(B) by striking out "at the end of the four year period" in that sentence.

(5) Such section is further amended by inserting after subsection (c) (as so redesignated) the following new subsection (d):

"(d)(1) An officer who is performing obligated service under an agreement under subsection (a) of this section may, if the amount that may be paid under such subsection is higher than at the time the officer executed such agreement, execute a new agreement under that subsection. The period of such an agreement shall be a period equal to or exceeding the original period of the officer's existing agreement, so long as the period of obligated active service under the new agreement does not extend beyond the end of 26 years of commissioned service. If a new agreement is executed under this subsection, the existing active-service agreement shall be cancelled, effective on the day before an anniversary date of that agreement after the date on which the amount that may be paid under this section is increased.

"(2) This subsection shall be carried out under regulations prescribed by the Secretary of the Navy.".

(6) Subsection (e) of such section is amended by striking out "September 30, 1987" and inserting in lieu thereof "September 30, 1990".

(b) Nuclear-Career Accession Bonus.—(1) Subsection (a)(1) of section 312b of such title is amended—

(A) by striking out "of $3,000" and inserting in lieu thereof "not to exceed $8,000"; and

(B) by adding at the end thereof the following new sentence: "Upon acceptance of the agreement by the Secretary, the amounts payable upon selection for training and upon completion of training, respectively, as determined under subsection (b) of this section, shall become fixed.".

(2) Subsection (b) of such section is amended to read as follows:

"(b) The Secretary of the Navy shall determine annually the total amount of the bonus to be paid under this section and of that amount the portions that are to be paid—

"(1) upon selection for officer naval nuclear power training; and

"(2) upon successful completion, as a commissioned officer, of training for duty in connection with the supervision, operation, and maintenance of naval nuclear propulsion plants.".

(3) Subsection (d) of such section is amended by striking out "September 30, 1987" and inserting in lieu thereof "September 30, 1990".

(c) Annual Incentive Bonus.—(1) Subsection (a) of section 312c of such title is amended as follows:

(A) The first sentence is designated as paragraph (1) and amended—

(i) by redesignating clauses (1) through (5) as clauses (A) through (E), respectively;

(ii) by striking out ", but has completed less than twenty-six years of commissioned service" in clause (C) (as so designated); and

(iii) by striking out "$6,000" and "October 1, 1987" and inserting in lieu thereof "$10,000" and "October 1, 1990", respectively.

(B) The second sentence is designated as paragraph (2) and is amended by inserting "technically" before "qualified".

(C) The third sentence is designated as paragraph (3) and is amended by striking out "nuclear service year" the second place

it appears and all that follows in that sentence and inserting in lieu thereof "nuclear service year on which he—

"(A) was not on active duty;

"(B) was not technically qualified for duty in connection with the supervision, operation, and maintenance of naval nuclear propulsion plants;

"(C) was performing obligated service as the result of an active-service agreement executed under section 312 of this title; or

"(D) was entitled to receive aviation career incentive pay in accordance with section 301a while serving in a billet other than a billet that required the officer—

"(i) be technically qualified for duty in connection with the supervision, operation, and maintenance of naval nuclear propulsion plants; and

"(ii) be qualified for the performance of operational flying duties.".

(D) The fourth sentence is repealed.

(2) Subsection (b) of such section is amended as follows:

(A) The first sentence is designated as paragraph (1) and amended—

(i) by redesignating clauses (1) through (4) as clauses (A) through (D), respectively; and

(ii) by striking out "$3,500" and "October 1, 1987" and inserting in lieu thereof "$4,500" and "October 1, 1990", respectively.

(B) The second sentence is designated as paragraph (2) and is amended by inserting "technically" before "qualified".

(C) The third sentence is designated as paragraph (3) and is amended by striking out "nuclear service year" and all that follows in that sentence and inserting in lieu thereof "nuclear service year on which he—

"(A) was not in an assignment involving the direct supervision, operation, or maintenance of naval nuclear propulsion plants;

"(B) was performing obligated service as the result of an active-service agreement executed under section 312 of this title; or

"(C) was entitled to receive aviation career incentive pay in accordance with section 301a while serving in a billet other than a billet—

"(i) involving the direct supervision, operation, or maintenance of naval nuclear propulsion plants; and

"(ii) that required the officer be qualified for the performance of operational flying duties.".

(3) Subsection (e) of such section is amended by striking out "October 1, 1987" and inserting in lieu thereof "October 1, 1990".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1985.

SEC. 633. INCENTIVE PAY FOR SUBMARINE DUTY

(a) INCREASE IN RATES OF INCENTIVE PAY FOR OFFICERS.—The table pertaining to commissioned officers in section 301c(b) of title 37, United States Code, is amended to read as follows:

"COMMISSIONED OFFICERS

Pay grade	*Years of service computed under section 205*						
	2 or less	*Over 2*	*Over 3*	*Over 4*	*Over 6*	*Over 8*	*Over 10*
0-10	*$265*	*$265*	*$265*	*$265*	*$265*	*$265*	*$265*
0-9	*265*	*265*	*265*	*265*	*265*	*265*	*265*
0-8	*265*	*265*	*265*	*265*	*265*	*265*	*265*
0-7	*265*	*265*	*265*	*265*	*265*	*265*	*265*
0-6	*440*	*440*	*440*	*440*	*440*	*440*	*440*
0-5	*440*	*440*	*440*	*440*	*440*	*440*	*440*
0-4	*270*	*270*	*270*	*300*	*440*	*440*	*440*
0-3	*265*	*265*	*265*	*290*	*440*	*440*	*440*
0-2	*175*	*175*	*175*	*175*	*175*	*175*	*265*
0-1	*130*	*130*	*130*	*130*	*130*	*130*	*265*

"COMMISSIONED OFFICERS

Pay grade	*Years of service computed under section 205*						
	Over 12	*Over 14*	*Over 16*	*Over 18*	*Over 20*	*Over 22*	*Over 26*
0-10	*$265*	*$265*	*$265*	*$265*	*$265*	*$265*	*$265*
0-9	*265*	*265*	*265*	*265*	*265*	*265*	*265*
0-8	*265*	*265*	*265*	*265*	*265*	*265*	*265*
0-7	*265*	*265*	*400*	*395*	*395*	*305*	*265*
0-6	*440*	*440*	*440*	*440*	*440*	*440*	*440*
0-5	*440*	*440*	*440*	*440*	*440*	*440*	*440*
0-4	*440*	*440*	*440*	*440*	*440*	*440*	*440*
0-3	*440*	*440*	*440*	*440*	*440*	*440*	*440*
0-2	*265*	*265*	*265*	*265*	*265*	*265*	*265*
0-1	*265*	*265*	*265*	*265*	*265*	*265*	*265".*

(b) Effective Date.—The amendment made by this section shall take effect on October 1, 1985.

SEC. 634. CAREER SEA PAY

(a) Increase in Rates for Officers.—The tables pertaining to warrant officers and commissioned officers in section 305a(b) of title 37, United States Code, are amended to appear as follows:

"WARRANT OFFICERS

"Pay grade	*Years of sea duty*								
	1 or less	*Over 1*	*Over 2*	*Over 3*	*Over 4*	*Over 5*	*Over 6*	*Over 7*	*Over 8*
W-1	*$130*	*$135*	*$140*	*$150*	*$170*	*$175*	*$200*	*$250*	*$270*
W-2	*150*	*150*	*150*	*150*	*170*	*260*	*265*	*265*	*270*
W-3	*150*	*150*	*150*	*150*	*170*	*270*	*280*	*285*	*290*
W-4	*150*	*150*	*150*	*150*	*170*	*290*	*310*	*310*	*310*

"Pay grade	*Years of sea duty*							
	Over 9	*Over 10*	*Over 11*	*Over 12*	*Over 14*	*Over 16*	*Over 18*	*Over 20*
W-1	*$275*	*$280*	*$290*	*$300*	*$300*	*$300*	*$300*	*$300*
W-2	*275*	*280*	*290*	*310*	*330*	*350*	*370*	*390*
W-3	*300*	*310*	*310*	*330*	*350*	*370*	*390*	*410*

"Pay grade	Years of sea duty							
	Over 9	Over 10	Over 11	Over 12	Over 14	Over 16	Over 18	Over 20
W-4	310	320	330	350	370	390	410	410

"COMMISSIONED OFFICERS

"Pay grade	Years of sea duty						
	Over 3	Over 4	Over 5	Over 6	Over 7	Over 8	Over 9
O-1	$150	$160	$185	$190	$195	$205	$215
O-2	150	160	185	190	195	205	215
O-3	150	160	185	190	195	205	215
O-4	185	190	200	205	215	215	220
O-5	225	225	225	225	230	245	250
O-6	225	230	230	240	255	265	280

"Pay grade	Years of sea duty						
	Over 10	Over 11	Over 12	Over 14	Over 16	Over 18	Over 20
O-1	$225	$225	$240	$250	$260	$270	$280
O-2	225	225	240	250	260	270	280
O-3	225	225	240	260	270	280	290
O-4	225	225	240	270	280	290	300
O-5	260	265	265	285	300	315	340
O-6	290	300	310	325	340	355	380".

(b) Effective Date.—The amendment made by this section shall take effect on October 1, 1985.

SEC. 635. INCENTIVE PAY FOR HAZARDOUS DUTY

(a) Hazardous Duty Incentive Pay for Officers and For Certain Additional Duties.—(1) Subsection (a) of section 301 of title 37, United States Code, is amended—

(A) in clause (1), by striking out "an enlisted crew member" and inserting in lieu thereof "a crew member"; and

(B) by striking out clause (10) and inserting in lieu thereof the following:

"(10) involving (A) the servicing of aircraft or missiles with highly toxic fuels or propellants, (B) the testing of aircraft or missile systems (or components of such systems) during which highly toxic fuels or propellants are used, or (C) the handling of chemical munitions (or components of such munitions); or".

(2) Subsection (b) of such section is amended to read as follows:

"(b) For the performance of hazardous duty described in clause (1) of subsection (a) of this section, a member is entitled to monthly incentive pay as follows:

"Pay Grade	Monthly Rate
O-10	$110
O-9	110
O-8	110
O-7	110
O-6	250
O-5	250
O-4	225

O-3	*175*
O-2	*150*
O-1	*125*
W-4	*250*
W-3	*175*
W-2	*150*
W-1	*125*
E-9	*200*
E-8	*200*
E-7	*200*
E-6	*175*
E-5	*150*
E-4	*125*
E-3	*110*
E-2	*110*
E-1	*110”.*

(3) Paragraph (1) of subsection (c) of such section is amended to read as follows:

“(1) For the performance of hazardous duty described in clauses (2) through (10) of subsection (a) of this section, a member is entitled to $110 a month. However, a member performing hazardous duty described in clause (3) of that subsection who also performs as an essential part of such duty parachute jumping at a high altitude with a low opening is entitled to $165 a month.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1985.

SEC. 636. EXTENSION OF AVIATION OFFICER CONTINUATION PAY

Effective on October 1, 1985, section 301b of title 37, United States Code, is amended by striking out “September 30, 1985” in subsections (e)(2), (e)(3), and (f) and inserting in lieu thereof “September 30, 1987”.

SEC. 637. CHANGE IN DEFINITION OF ENGINEERING AND SCIENTIFIC DUTY

(a) DEFINITION.—(1) Subsection (a) of section 315 of title 37, United States Code, is amended to read as follows:

“(a) In this section, ‘engineering or scientific duty’ means service performed by an officer—

“(1) that requires an engineering or science degree; and

“(2) that requires a skill designated (under regulations prescribed by the Secretary of Defense for the armed forces, by the Secretary of Commerce for the National Oceanic and Atmospheric Administration, or by the Secretary of Health and Human Services for the Public Health Service) as critical and as a skill in which there is a critical shortage of officers in the uniformed service concerned.”.

(2) The matter preceding clause (1) of section 315(b) of such title is amended to read as follows:

“(b) Under regulations prescribed by the Secretary concerned, an officer of a uniformed service who—”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1985.

SEC. 638. INCENTIVE PAY FOR DUTY SUBJECT TO HOSTILE FIRE

(a) INCREASE IN INCENTIVE PAY FOR DUTY SUBJECT TO HOSTILE FIRE.—The first sentence of section 310 of title 37, United States Code, is amended by striking out “at the rate of $65 a month” and

inserting in lieu thereof "at the lowest rate for hazardous duty incentive pay specified in section 301(c)(1) of this title".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 1985.

SEC. 639. REVISION OF SPECIAL PAY FOR DENTAL OFFICERS

(a) IN GENERAL.—Section 302b of title 37, United States Code, is amended to read as follows:

"§ 302b. Special pay: dental officers of the armed forces

"(a)(1) An officer who—

"(A) is an officer of the Dental Corps of the Army or the Navy or an officer of the Air Force designated as a dental officer; and

"(B) is on active duty under a call or order to active duty for a period of not less than one year,

is entitled to special pay in accordance with this subsection.

"(2) An officer described in paragraph (1) of this subsection who is serving in a pay grade below pay grade O–7 is entitled to variable special pay at the following rates:

"(A) $1,200 per year, if the officer is undergoing dental internship training or has less than three years of creditable service.

"(B) $2,000 per year, if the officer has at least three but less than six years of creditable service and is not undergoing dental internship training.

"(C) $4,000 per year, if the officer has at least six but less than 10 years of creditable service.

"(D) $6,000 per year, if the officer has at least 10 but less than 14 years of creditable service.

"(E) $4,000 per year, if the officer has at least 14 but less than 18 years of creditable service.

"(F) $3,000 per year, if the officer has 18 or more years of creditable service.

"(3) An officer described in paragraph (1) of this subsection who is serving in a pay grade above pay grade O–6 is entitled to variable special pay at the rate of $1,000 per year.

"(4) Subject to subsection (b) of this section, an officer entitled to variable special pay under paragraph (2) or (3) of this subsection is entitled to additional special pay for any 12-month period during which the officer is not undergoing dental internship or residency training. Such additional special pay shall be paid at the following rates:

"(A) $6,000 per year, if the officer has at least three but less than 14 years of creditable service.

"(B) $8,000 per year, if the officer has at least 14 but less than 18 years of creditable service.

"(C) $10,000 per year, if the officer has 18 or more years of creditable service.

"(5) An officer who is entitled to variable special pay under paragraph (2) or (3) of this subsection and who is board certified is entitled to additional special pay at the following rates:

"(A) $2,000 per year, if the officer has less than 12 years of creditable service.

"(B) $3,000 per year, if the officer has at least 12 but less than 14 years of creditable service.

"(C) $4,000 per year, if the officer has 14 or more years of creditable service.

"(b)(1) An officer may not be paid additional special pay under subsection (a)(4) of this section for any 12-month period unless the officer first executes a written agreement under which the officer agrees to remain on active duty for a period of not less than one year beginning on the date the officer accepts the award of such special pay.

"(2) Under regulations prescribed by the Secretary of Defense under section 303a(a) of this title, the Secretary of the military department concerned may terminate at any time an officer's entitlement to the special pay authorized by subsection (a)(4) of this section. If such entitlement is terminated, the officer concerned is entitled to be paid such special pay only for the part of the period on active duty that the officer served, and the officer may be required to refund any amount in excess of that entitlement.

"(c) Regulations prescribed by the Secretary of Defense under section 303a(a) of this title shall include standards for determining—

"(1) whether an officer is undergoing internship or residency training for purposes of subsections (a)(2)(A), (a)(2)(B), and (a)(4) of this section; and

"(2) whether an officer is board certified for purposes of subsection (a)(5) of this section.

"(d) Special pay payable to an officer under paragraphs (2), (3), and (5) of subsection (a) of this section shall be paid monthly. Special pay payable to an officer under subsection (a)(4) of this section shall be paid annually at the beginning of the 12-month period for which the officer is entitled to such payment.

"(e) An officer who voluntarily terminates service on active duty before the end of the period for which a payment was made to such officer under subsection (a)(4) of this section shall refund to the United States an amount which bears the same ratio to the amount paid to such officer as the unserved part of such period bears to the total period for which the payment was made.

"(f) A discharge in bankruptcy under title 11 shall not release a person from an obligation to reimburse the United States required under the terms of an agreement described in subsection (b) of this section if the final decree of the discharge in bankruptcy was issued within a period of five years after the last day of a period which such person had agreed to serve on active duty. This subsection applies to a discharge in bankruptcy in any proceeding which begins after September 30, 1985.

"(g) For purposes of this section, creditable service of an officer is computed by adding—

"(1) all periods which the officer spent in dental internship or residency training during which the officer was not on active duty; and

"(2) all periods of active service in the Dental Corps of the Army or Navy, as an officer of the Air Force designated as a dental officer, or as a dental officer of the Public Health Service.".

(b) Repeal of Continuation Pay for Dentists.—Section 311 of such title is repealed.

(c) AUTHORITY FOR CERTAIN DENTAL OFFICERS TO EXECUTE NEW AGREEMENTS.—(1) Subject to paragraphs (2) and (3), a dental officer who on October 1, 1985, is performing obligated service under an agreement under section 311 of title 37, United States Code, that—

(A) was executed after June 29, 1985; and

(B) is affected by the limitation in section 8091 of the Department of Defense Appropriations Act, 1985 (as contained in section 101(h) of Public Law 98-473), may execute a new agreement under section 302b of such title (as amended by subsection (a)).

(2) A dental officer may not execute a new agreement under paragraph (1) unless the amount that may be paid such officer under an agreement under section 302b of title 37, United States Code (as amended by subsection (a)), is greater than the amount to be paid the officer under the existing agreement of the officer under section 311 of such title.

(3) In executing a written agreement under paragraph (1), the officer shall agree to remain on active duty for an additional length of time equal to or exceeding the length of time originally required by the existing agreement, beginning on the date the officer accepts the award of special pay under the new agreement.

(4) If a new agreement is executed under this subsection, the existing agreement of the officer shall be canceled.

(5) For the purposes of this section, the term "dental officer" has the meaning given that term in section 101 of title 10, United States Code.

(d) SAVE PAY.—(1) An officer described in paragraph (2) who, after September 30, 1985, is entitled to special pay under section 302b of title 37, United States Code (as amended by subsection (a)), shall be entitled to such pay in an annual amount that is not less than the total annual amount of dental continuation pay under section 311 of title 37, United States Code, and special pay for dental officers under section 302b of that title to which that officer was entitled on September 30, 1985.

(2) Paragraph (1) applies to an officer who on September 30, 1985, is entitled to dental continuation pay under section 311 of title 37, United States Code, or to special pay for dental officers under section 302b of that title.

(e) CLERICAL AMENDMENTS.—The table of sections at the beginning of chapter 5 of such title is amended—

(1) by striking out the item relating to section 302b and inserting in lieu thereof the following:

"302b. Special pay: dental officers of the armed forces."; and

(2) by striking out the item relating to section 311.

(f) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 1985.

SEC. 640. SPECIAL PAY FOR MEDICAL OFFICERS

Section 302 of title 37, United States Code, is amended—

(1) by striking out "is not" in subsection (h)(1)(B) and inserting in lieu thereof "who is"; and

(2) by adding at the end thereof the following new subsection:

"(i) A discharge in bankruptcy under title 11 that is entered less than 5 years after the termination of an agreement under this section does not discharge the person signing such agreement from a *debt arising under such agreement or under paragraph (1) of this subsection. This paragraph applies to any case commenced under title 11 after September 30, 1985.".*

SEC. 641. SPECIAL PAY FOR QUALIFIED ENLISTED MEMBERS EXTENDING DUTY AT CERTAIN LOCATIONS OVERSEAS

(a) INCREASE IN RATE OF MONTHLY SPECIAL PAY.—Section 314(a) of title 37, United States Code, is amended by striking out "$50" and inserting in lieu thereof "$80".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1985.

Subpart 2—Reserve Forces

SEC. 642. SELECTED RESERVE ENLISTMENT BONUS

Section 308c of title 37, United States Code, is amended by striking out "September 30, 1985" in subsection (f) and inserting in lieu thereof "September 30, 1987".

SEC. 643. SELECTED RESERVE REENLISTMENT BONUS

(a) INCREASE IN RATES; TWO-YEAR EXTENSION.—Section 308b of title 37, United States Code, is amended—

(1) in subsection (b)—

(A) by striking out "$450" and "$900" in paragraph (1) and inserting in lieu thereof "$1,250" and "$2,500", respectively; and

(B) by striking out "$150" in paragraph (2) and inserting in lieu thereof "$416.66";

(2) by striking out "$25" in subsection (d)(2) and inserting in lieu thereof "$69.44"; and

(3) by striking out "September 30, 1985" in subsection (g) and inserting in lieu thereof "September 30, 1987".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 1985.

SEC. 644. SELECTED RESERVE ENLISTMENT BONUS FOR PRIOR-SERVICE PERSONNEL

(a) IN GENERAL.—(1) Chapter 5 of title 37, United States Code, is amended by inserting after section 308h the following new section:

"§ 308i. Special pay: prior service enlistment bonus

"(a)(1) A person who is a former enlisted member of an armed force who enlists in the Selected Reserve of the Ready Reserve of an armed force for a period of three or six years in a critical military skill designated for such a bonus by the Secretary concerned and who meets the requirements of paragraph (2) may be paid a bonus as prescribed in subsection (b).

"(2) A bonus may only be paid under this section to a person who—

"(A) has completed his military service obligation but has less than 10 years of total military service;

"(B) has received an honorable discharge at the conclusion of military service;

"(C) is not being released from active service for the purpose of enlistment in a reserve component; and

"(D) has not previously been paid a bonus for enlistment, reenlistment, or extension of enlistment in a reserve component.

"(b) The bonus to be paid under subsection (a) shall be—

"(1) an initial payment of—

"(A) an amount not to exceed $1,250, in the case of a member who enlists for a period of three years; or

"(B) an amount not to exceed $2,500 in the case of a member who enlists for a period of six years; and

"(2) a subsequent payment of an amount not to exceed $416.66 upon the completion of each year of the period of such reenlistment or extension of enlistment during which such member has satisfactorily participated in unit training.

"(c) A member may not be paid more than one bonus under this section.

"(d) A person who receives a bonus payment under this section and who fails during the period for which the bonus was paid to serve satisfactorily in the element of the Selected Reserve of the Ready Reserve with respect to which the bonus was paid shall refund to the United States an amount that bears the same relation to the amount of the bonus paid to such person as the period that such person failed to serve satisfactorily bears to the total period for which the bonus was paid.

"(e) An obligation to reimburse the United States imposed under subsection (d) of this section is, for all purposes, a debt owed to the United States.

"(f) Under regulations prescribed pursuant to subsection (h) of this section, the Secretary concerned may remit or cancel the whole or any part of an obligation to reimburse the United States imposed under subsection (d) of this section.

"(g) A discharge in bankruptcy under title 11 that is entered less than five years after the termination of an enlistment for which a bonus was paid under this section shall not discharge the person receiving such bonus payment from the debt arising under subsection (d) of this section. This subsection applies to any case commenced under title 11 after September 30, 1985.

"(h) This section shall be administered under regulations prescribed by the Secretary of Defense for the armed forces under his jurisdiction and by the Secretary of Transportation for the Coast Guard when the Coast Guard is not operating as a service in the Navy.

"(i) No bonus may be paid under this section to any person for an enlistment after September 30, 1987.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 308h the following new item:

"308i. Special pay: prior service enlistment bonus.".

(b) Effective Date.—The amendments made by subsection (a) shall take effect on October 1, 1985.

SEC. 645. SELECTED RESERVE AFFILIATION BONUS

(a) Increase and Extension.—Section 308e of title 37, United States Code, is amended—

(1) by striking out "$25" in subsection (c)(1) and inserting in lieu thereof "up to $50 as determined by the Secretary concerned"; and

(2) by striking out "September 30, 1985" in subsection (e) and inserting in lieu thereof "September 30, 1987".

(b) Effective Date.—The amendments made by this section shall take effect on October 1, 1985.

SEC. 646. INDIVIDUAL READY RESERVE BONUSES

(a) Two-Year Extension of Reenlistment and Enlistment Bonuses.—(1) Sections 308g(h) and 308h(g) of such title are amended by striking out "September 30, 1985" and inserting in lieu thereof "September 30, 1987".

(b) Enhanced IRR Bonus for Persons With Critical Skills.—(1) Subsection (a)(1) of section 308h of title 37, United States Code, is amended by striking out "for a period of not less than three years" and inserting in lieu thereof "for a period of three years, or for a period of six years,".

(2) Subsection (b) of such section is amended—

(A) by inserting "(1)" after "(b)";

(B) by striking out ", except that" and all that follows and inserting in lieu thereof a period; and

(C) by adding at the end thereof the following new paragraphs:

"(2) The amount of a bonus under this section—

"(A) may not exceed $1,500, in the case of a person who enlists for a period of six years; and

"(B) may not exceed $750 in the case of a person who enlists for a period of three years.

"(3) A bonus paid under this section shall be paid as follows:

"(A) In the case of a bonus under paragraph (2)(A) of this subsection—

"(i) $500 shall be paid at the time of the reenlistment, enlistment, or extension of enlistment for which the bonus is paid; and

"(ii) the remainder shall be paid in equal annual increments.

"(B) In the case of a bonus under paragraph (2)(B) of this subsection, the amount of the bonus shall be paid in equal annual increments.".

(c) Authority To Require Muster or Drill for Enhanced Bonus.—Subsection (f) of such section is amended—

(1) by inserting "(1)" after "(f)"; and

(2) by adding at the end thereof the following new paragraph:

"(2) Regulations under this section may require that as a condition of receiving a bonus under this section the person receiving the bonus agree to participate in an annual muster of the Reserves, or in active duty for training, as may be required by the Secretary concerned.".

(d) Effective Date.—The amendments made by this section shall take effect on October 1, 1985.

SEC. 647. SELECTED RESERVE HAZARDOUS DUTY INCENTIVE PAY

(a) MODIFICATION OF COMPUTATION OF HAZARDOUS DUTY PAY FOR RESERVES.—Section 301(f) of title 37, United States Code, relating to incentive pay for hazardous duty, is amended—

(1) by inserting "(1)" after "(f)";

(2) by inserting "for the entire month" before the period at the end; and

(3) by adding at the end thereof the following new paragraph:

"(2)(A) If in any calendar month a member performs duty as described in paragraph (1) of this subsection and while entitled to basic pay also performs hazardous duty as described in the same clause of subsection (a) as constitutes the predicate for his entitlement under paragraph (1) of this subsection, the earned units of measuring entitlement for incentive pay under this section shall be combined. If the sum of units determined under the preceding sentence equals or exceeds the minimum standard prescribed by the President for entitlement to pay specified under subsections (b) and (c) of this section for a member of corresponding grade who is entitled to basic pay for the entire relevant month, the member shall be entitled to an increase in compensation equal to 1/30 of the monthly incentive pay authorized by subsection (b) or (c) of this section for the performance of that hazardous duty by a member of corresponding grade who is entitled to basic pay for the entire month.

"(B) A member who qualifies for entitlement under this paragraph is entitled to the increase for each day in the relevant month in which he is entitled to basic pay pursuant to section 204 of this title or to compensation under section 206 of this title.

"(C) In this paragraph, 'units' means the significant increments of performance prescribed as qualifying standards in regulations promulgated by the President pursuant to this section.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to payments of incentive pay for hazardous duty performed after September 30, 1985.

PART D—HEALTH-CARE MATTERS

SEC. 651. CHAMPUS DENTAL CARE FOR ACTIVE-DUTY DEPENDENTS

(a) DENTAL BENEFITS FOR DEPENDENTS OF ACTIVE-DUTY MEMBERS.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1076 the following new section:

"§ 1076a. Dependents' dental program

"(a)(1) The Secretary of Defense may establish dental benefit plans for spouses and children (as described in section 1072(2)(D) of this title) of members of the uniformed services who are on active duty for a period of more than 30 days. Any plan under this section shall provide for voluntary enrollment of participants and shall include provisions for premium-sharing between the Department of Defense and members enrolling in the program.

"(2) A plan under this section shall be administered under regulations prescribed by the Secretary of Defense in consultation with the other administering Secretaries.

"(b)(1) Members enrolling in a dental benefit plan established under subsection (a) shall be required to pay a share of the member's premium.

"(2) The Secretary of Defense shall establish the amount of the premium to be paid by a member enrolled in a plan under this section.

"(c) A member's share of the premium for a plan established under subsection (a) shall be paid by deductions from the basic pay of the member.

"(d) The dental benefits provided under such a plan may not include a benefit other than—

"(1) diagnostic, oral examination, and preventive services and palliative emergency care; and

"(2) basic restorative services of amalgam and composite restorations and stainless steel crowns for primary teeth, and dental appliance repairs.

"(e) Any such plan shall provide that a member whose spouse or child receives care under a plan established under this section—

"(1) may not be required to pay for any charge for care described in subsection (d)(1); and

"(2) shall be required to pay 20 percent of the charges for care described in subsection (d)(2).

"(f) If a member who is enrolled in a plan established under this section is transferred to a duty station where dental care is provided to the member's spouse or children under a program other than a plan established under this section, the member may discontinue participation under the plan established under this section. If the member is later transferred to a station where dental care is not provided to such member's spouse or children except under a plan established under this section, the member may re-enroll in such a plan.

"(g) The authority of the Secretary of Defense to enter into a contract under this section for any fiscal year is subject to the availability of appropriations for that purpose.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1076 the following new item:

"1076a. Dependents' dental program.".

(b) CONFORMING AMENDMENT.—Section 1077 of such title is amended by adding at the end thereof the following new subsection:

"(c) A dependent participating under a dental plan established under section 1076a of this title may not be provided dental care under section 1076(a) of this title except for emergency dental care and care that is not covered by such plan.".

(c) EFFECTIVE DATE.—The Secretary of Defense may not enter into a contract under section 1076a of title 10, United States Code, as added by subsection (a), or otherwise obligate funds under that section before September 30, 1986.

SEC. 652. ENHANCED HEALTH-CARE BENEFITS FOR SURVIVORS OF CERTAIN RESERVISTS

(a) MEDICAL AND DENTAL CARE IN FACILITIES OF THE UNIFORMED SERVICES.—Section 1076(a) of title 10, United States Code, is amended to read as follows:

"(a)(1) A dependent described in paragraph (2) is entitled, upon request, to the medical and dental care prescribed by section 1077 of this title in facilities of the uniformed services, subject to the availability of space and facilities and the capabilities of the medical and dental staff.

"(2) A dependent referred to in paragraph (1) is a dependent of a member of a uniformed service—

"(A) who is on active duty for a period of more than 30 days or who died while on that duty; or

"(B) who died from an injury or illness incurred or aggravated—

"(i) while on active duty under a call or order to active duty of 30 days or less, on active duty for training, or on inactive duty training; or

"(ii) while traveling to or from the place at which the member is to perform, or has performed, such active duty, active duty for training, or inactive duty training.".

(b) CHAMPUS CARE.—Section 1086(c)(2) of such title is amended to read as follows:

"(2) A dependent (other than a dependent covered by section 1072(2)(E) of this title) of a member of a uniformed service—

"(A) who died while on active duty for a period of more than 30 days; or

"(B) who died from an injury or illness incurred or aggravated—

"(i) while on active duty under a call or order to active duty of 30 days or less, on active duty for training, or on inactive duty training; or

"(ii) while traveling to or from the place at which the member is to perform, or has performed, such active duty, active duty for training, or inactive duty training.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply only with respect to dependents of members of the uniformed services whose deaths occur after September 30, 1985.

SEC. 653. LICENSURE REQUIREMENT FOR DEFENSE HEALTH-CARE PROFESSIONALS

(a) IN GENERAL.—(1) Chapter 55 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§1094. Licensure requirement for health-care professionals

"(a)(1) A person under the jurisdiction of the Secretary of a military department may not provide health care independently as a health-care professional under this chapter unless the person has a current license to provide such care.

"(2) The Secretary of Defense may waive paragraph (1) with respect to any person in unusual circumstances. The Secretary shall prescribe by regulation the circumstances under which such a waiver may be granted.

"(b) The commanding officer of each health care facility of the Department of Defense shall ensure that each person who provides health care independently as a health-care professional at the facility meets the requirement of subsection (a).

"(c)(1) A person (other than a person subject to chapter 47 of this title) who provides health care in violation of subsection (a) is subject to a civil money penalty of not more than $5,000.

"(2) The provisions of subsections (b) and (d) through (g) of section 1128A of the Social Security Act (42 U.S.C. 1320a–7a) shall apply to the imposition of a civil money penalty under paragraph (1) in the same manner as they apply to the imposition of a civil money penalty under that section, except that for purposes of this subsection—

"(A) a reference to the Secretary in that section is deemed a reference to the Secretary of Defense; and

"(B) a reference to a claimant in subsection (e) of that section is deemed a reference to the person described in paragraph (1).

"(d) In this section:

"(1) 'License'—

"(A) means a grant of permission by an official agency of a State, the District of Columbia, or a Commonwealth, territory, or possession of the United States to provide health care independently as a health-care professional; and

"(B) includes, in the case of such care furnished in a foreign country by any person who is not a national of the United States, a grant of permission by an official agency of that foreign country for that person to provide health care independently as a health-care professional.

"(2) 'Health-care professional' means a physician, dentist, clinical psychologist, or nurse and any other person providing direct patient care as may be designated by the Secretary of Defense in regulations.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"1094. Licensure requirement for health-care professionals.".

(b) TRANSITION.—Section 1094 of title 10, United States Code, as added by subsection (a), does not apply during the three-year period beginning on the date of the enactment of this Act with respect to the provision of health care by any person who on the date of the enactment of this Act is a member of the Armed Forces.

SEC. 654. STUDY OF MEDICAL CASUALTY INVESTIGATIONS

(a) IN GENERAL.—The Secretary of Defense shall study the procedures used by the military departments for medical casualty investigations relating to members of the Armed Forces who die or are seriously injured while on active duty.

(b) SCOPE OF STUDY.—The study by the Secretary under subsection (a) shall include consideration of the following:

(1) The need, and appropriate standards, for uniform policies of the military departments with respect to autopsies of members of the Armed Forces who die while on active duty, taking into account religious sensibilities of members and their families.

(2) The need, and appropriate standards, for a policy of the Department of Defense with respect to independent review of autopsies, and other aspects of medical casualty investigations, conducted by the Armed Forces, including the appropriate role of the Armed Forces Institute of Pathology.

(3) Appropriate policies and procedures for retaining, in safekeeping, all medical investigative materials (including photographs, specimens, slide and other records of any autopsy) and, to the extent not inconsistent with national security, making such materials available to survivors of members of the Armed Forces who die while on active duty.

(4) The desirability of establishing an independent board of medical examination in the Department of Defense, to consist of five or more practitioners of medicine who are recognized experts in the investigation of causes of death, with the function of advising the Secretary of Defense on the operation of the Armed Forces Institute of Pathology and on the reliability and independence of the Institute's investigations of military casualties.

(c) REPORT.—(1) The Secretary of Defense shall submit to Congress a report on the results of the study under subsection (a). The report shall include—

(A) the Secretary's findings and recommendations;

(B) an analysis and description of all actions taken by the Department of Defense to implement any such recommendation; and

(C) the Secretary's recommendations with respect to any legislation needed to implement any such recommendation.

(2) The report shall be submitted not later than one year after the date of the enactment of this Act.

PART E—MILITARY RETIREMENT

SEC. 666. LIMITATION ON AMOUNTS AVAILABLE FOR OBLIGATION FOR BASIC PAY AND FOR RETIRED PAY ACCRUAL CHARGE

From amounts appropriated or otherwise available to the Department of Defense for military personnel accounts for fiscal year 1986, the total amount obligated from each such account for military basic pay and payments into the Department of Defense Military Retirement Fund pursuant to section 1466(a) of title 10, United States Code, may not exceed the following:

(1) For the Department of the Army—

(A) for payments from the appropriation account "Military Personnel, Army", $15,951,800,000;

(B) for payments from the appropriation account "Reserve Personnel, Army", $1,595,500,000; and

(C) for payments from the appropriation account "National Guard Personnel, Army", $2,503,600,000.

(2) For the Department of the Navy—

(A) for payments from the appropriation account "Military Personnel, Navy", $11,689,900,000;

(B) for payments from the appropriation account "Military Personnel, Marine Corps", $3,659,600,000;

(C) for payments from the appropriation account "Reserve Personnel, Navy", $939,300,000; and

(D) for payments from the appropriation account "Reserve Personnel, Marine Corps", $202,200,000.

(3) For the Department of the Air Force—

(A) for payments from the appropriation account "Military Personnel, Air Force", $13,533,500,000;

(B) for payments from the appropriation account "Reserve Personnel, Air Force", $437,300,000; and

(C) for payments from the appropriation account "National Guard Personnel, Air Force", $754,500,000.

SEC. 667. LEGISLATIVE PROPOSAL TO AMEND MILITARY RETIREMENT SYSTEM FOR NEW ENTRANTS

(a) REQUIREMENT FOR SUBMISSION OF LEGISLATIVE PROPOSAL MAKING CHANGES IN MILITARY RETIREMENT SYSTEM.—(1) Not later than September 15, 1985, the Secretary of Defense shall submit to Congress a report (including draft legislation) proposing two separate sets of changes in the military nondisability retirement system.

(2)(A) Each of the sets of changes to be proposed in the report under paragraph (1) shall include changes which, if enacted, would result in reductions in the amount required to be paid by the Secretary of Defense into the Department of Defense Military Retirement Fund pursuant to section 1466(a) of title 10, United States Code, during fiscal year 1986 in a total amount that would enable the Department of Defense to remain within the limits on obligations for basic pay and payments into such Fund prescribed by section 666 solely through such reductions.

(B) One of the sets of changes to be proposed in such report shall consist only of changes in the military retirement system other than changes in the procedure for periodic cost-of-living adjustments in retired or retainer pay which, if enacted, would result in the required reductions.

(3) Structural changes in the military retirement system to be proposed by the Secretary of Defense in either set of changes proposed in the report under paragraph (1)—

(A) should apply only to individuals who initially become members of the Armed Forces after the effective date of such changes; and

(B) should, to the maximum extent possible and consistent with military requirements, encourage members who are eligible for retirement to remain on active duty beyond 20 years of service.

(4) At the same time the Secretary of Defense submits the report required by paragraph (1), the Secretary shall submit separate reports on the following:

(A) The anticipated effects that the changes proposed in the report under paragraph (1) would have on recruiting and retention in the Armed Forces.

(B) Proposals for additional changes in other elements of the military compensation system or in other military personnel programs, including changes in promotion and retention policies.

(C) A description of the changes in military retirement, compensation, or personnel programs that would be necessary if the reductions resulting from the funding limitations set forth in section 666 were $1,800,000,000, $2,900,000,000, $3,600,000,000, $4,000,000,000, or $5,400,000,000, as well as an evaluation of the

effects such changes would have on recruiting and retention in the Armed Forces.

(D) A plan that could be used to implement over a period of four or more years the changes proposed in the report under paragraph (1).

(b) SPECIFICATION OF ACTUARIAL METHODS AND ASSUMPTIONS FOR FY86 RETIREMENT LEGISLATION.—In determining the cost, or the amount to be saved, as the result of the enactment of any legislative proposal that would make changes in the military retirement system effective during fiscal year 1985 or 1986, the actuarial methods and assumptions used shall be the same as those approved by the Board of Actuaries (in accordance with section 1465(d) of title 10, United States Code) for use in calculating the military retirement accrual percentage for the President's budget for fiscal year 1986.

(c) RECALCULATION OF ACCRUAL PERCENTAGE UPON CHANGE IN BENEFITS.—(1) If a significant change in the military retirement system is enacted into law that takes effect during fiscal year 1985 or 1986, the accrual percentage shall be recalculated taking into account that change in law. Any such recalculation shall be made using the actuarial methods and assumptions described in subsection (b).

(2) In making determinations under section 1466(a) of title 10, United States Code, for months during fiscal years 1985 and 1986 beginning on or after the effective date of any such change in law, the accrual percentage as recalculated under paragraph (1) shall be used in lieu of the accrual percentage that would otherwise be applicable.

(d) DEFINITION OF ACCRUAL PERCENTAGE.—For purposes of this section, the term "accrual percentage" means the single level percentage of basic pay determined under section 1465(c)(1) of title 10, United States Code, for the purposes of computations under sections 1465(b) and 1466(a) of that title.

PART F—EDUCATIONAL ASSISTANCE PROGRAMS

SEC. 671. DEPARTMENT OF DEFENSE EDUCATIONAL LOAN REPAYMENT PROGRAMS

(a) CODIFICATION OF SECTION 902 PROGRAM.—(1) Part III of subtitle A of title 10, United States Code, is amended by adding at the end thereof the following new chapter:

"CHAPTER 109—EDUCATIONAL LOAN REPAYMENT PROGRAMS

"Sec.
"2171. General educational loan repayment program.
"2172. Education loans for certain health professionals who serve in the Selected Reserve.

"§ 2171. General educational loan repayment program

"(a)(1) Subject to the provisions of this section, the Secretary of Defense may repay—

"(A) any loan made, insured, or guaranteed under part B of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq.); or

"(B) or any loan made under part E of such title (20 U.S.C. 1087aa et seq.).

Repayment of any such loan shall be made on the basis of each complete year of service performed by the borrower.

"(2) The Secretary may repay loans described in paragraph (1) in the case of any person for—

"(A) service performed—

"(i) as an enlisted member of the Selected Reserve of the Ready Reserve of an armed force; and

"(ii) in a reserve component and military specialty specified by the Secretary of Defense; or

"(B) service performed on active duty as an enlisted member in a military specialty specified by the Secretary.

In the case of service described in clause (A) of the first sentence of this paragraph, the Secretary may repay a loan described in paragraph (1) only if the person to whom the loan was made performed such service after the loan was made.

"(b) The portion or amount of a loan that may be repaid under subsection (a) is—

"(1) 15 percent or $500, whichever is greater, for each year of service, in the case of service described in subsection (a)(2)(A); or

"(2) 33⅓ percent or $1,500, whichever is greater, for each year of service, in the case of service described in subsection (a)(2)(B).

"(c) If a portion of a loan is repaid under this section for any year, interest on the remainder of such loan shall accrue and be paid in the same manner as is otherwise required.

"(d) Nothing in this section shall be construed to authorize refunding any repayment of a loan.

"(e) Any individual who transfers from service described in clause (A) or (B) of subsection (a)(2) to service described in the other clause of such subsection during a year shall be eligible to have repaid a portion of such loan determined by giving appropriate fractional credit for each portion of the year so served, in accordance with regulations of the Secretary concerned.

"(f) The Secretary of Defense shall, by regulation, prescribe a schedule for the allocation of funds made available to carry out the provisions of this section during any year for which funds are not sufficient to pay the sum of the amounts eligible for repayment under subsection (a).

"§ 2172. Education loans for certain health professionals who serve in the Selected Reserve

"(a) Under regulations prescribed by the Secretary of Defense and subject to the other provisions of this section, the Secretary concerned may repay—

"(1) a portion of a loan made, insured, or guaranteed under part B of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq.);

"(2) a loan made under part E of such title (20 U.S.C. 1087aa et seq.) after October 1, 1975; and

"(3) a health education assistance loan made or insured under part C of title VII of the Public Health Service Act (42 U.S.C. 294 et seq.).

"(b) The Secretary concerned may repay loans described in subsection (a) only in the case of a person who—

"(1) performs satisfactory service as an officer in the Selected Reserve of an armed force; and

"(2) possesses professional qualifications in a health profession that the Secretary of Defense has determined to be needed critically in order to meet identified wartime combat medical skill shortages.

"(c)(1) The amount of any repayment of a loan made under this section on behalf of any person shall be determined on the basis of each complete year of service that is described in subsection (b)(1) and performed by the person after the date on which the loan was made.

"(2) Subject to paragraph (3), the portion of a loan that may be repaid under this section on behalf of any person may not exceed $3,000 for each year of service described in paragraph (1).

"(3) The total amount that may be repaid on behalf of any person under this section may not exceed $20,000.

"(d) The authority provided in this section shall apply only in the case of a person first appointed as a commissioned officer before October 1, 1988.".

(2) The tables of chapters at the beginning of subtitle A of such title and at the beginning of part III of such subtitle are amended by inserting after the item relating to chapter 108 the following new item:

"109. Educational Loan Repayment Programs.. 2171".

(3) Section 902 of the Department of Defense Authorization Act, 1981 (10 U.S.C. 2141 note), is repealed.

(b) Persons to Whom Applicable.—(1) The authority provided under section 2171 of title 10, United States Code, as added by subsection (a), shall apply only—

(A) in the case of persons who enlist or reenlist in the Selected Reserve of the Ready Reserve of an Armed Force or enlist or reenlist for service on active duty after September 30, 1980;

(B) with respect to service performed after that date; and

(C) with respect to loans made after October 1, 1975.

(2) The authority provided under section 2172 of title 10, United States Code, as added by subsection (a), shall apply only—

(A) in the case of a person who is first appointed as a commissioned officer of an Armed Force after September 30, 1985; and

(B) with respect to service performed after that date.

SEC. 672. SPECIALIZED TRAINING ASSISTANCE IN THE HEALTH PROFESSION FOR MEMBERS OF RESERVE COMPONENTS

(a) Authorization of Program.—The Secretary of each military department, under regulations prescribed by the Secretary of Defense, may establish and maintain a program to provide financial assistance to persons engaged in specialized training in the health professions.

(b) Eligibility Requirements.—To be eligible for financial assistance under this section, a person must be--

(1) *a commissioned officer in the Selected Reserve of a reserve component of the Armed Forces; and*

(2) engaged in a course of specialized training (approved by the Secretary of the military department concerned) in a health profession.

(c) Amount of Assistance.—A person participating in the program provided for under this section shall be entitled to a monthly stipend at the rate paid, on October 1, 1985, to persons participating in the Armed Forces Health Professions Scholarship Program under chapter 105 of title 10, United States Code. That rate shall be increased annually by the Secretary of Defense effective on July 1 of each year by an amount (rounded to the next highest multiple of $1) equal to—

(1) the amount of such stipend (as previously adjusted (if at all)), multiplied by

(2) the overall percentage of the adjustment (if such adjustment is an increase) in the rates of basic pay for members of the uniformed services made effective for the fiscal year in which the school year ends.

(d) Qualifications.—To be eligible for participation in the program provided for in this section, a person must be a citizen of the United States and must—

(1) be qualified in a health profession as required in regulations prescribed by the Secretary of Defense;

(2) sign an agreement that, unless sooner separated, the participant will—

(A) complete the specialized program of training approved by the Secretary of the military department concerned; and

(B) meet such other requirements as the Secretary concerned may prescribe.

(e) Selected Reserve Obligation.—A member who participates in a program provided for under this section incurs a Selected Reserve obligation of three years for each year or part thereof for which financial assistance is provided under this section.

(f) Failure To Complete Program of Training.—(1) A member of the program who, under regulations prescribed by the Secretary of Defense, is dropped from the program for deficiency in training, or for other reasons, shall be required, at the discretion of the Secretary concerned—

(A) to perform one year of active duty for each year (or part thereof) for which such person was provided financial assistance under this section; or

(B) repay the United States an amount equal to the total amount paid to such person under the program.

(2) The Secretary of a military department, under regulations prescribed by the Secretary of Defense, may relieve a member participating in the program who is dropped from the program from any requirement that may be imposed under paragraph (1), but such relief shall not relieve him from any military obligation imposed by any other law.

(g) Limitations on Number of Participants.—The number of persons who may be provided financial assistance under this section at any one time, when added to the total number of persons who are participating in the scholarship program provided for under chapter

105 of title 10, United States Code, at any time, may not exceed 6,000.

(h) Definition.—For the purposes of this section, the term "specialized course of training" means a course of advanced training—

(1) in a health profession; and

(2) designated by the Secretary of the military department concerned to be training in a health profession skill critically needed by the military department concerned.

(i) Change in Number of Persons Authorized To Receive Financial Assistance.—Section 2124 of title 10, United States Code, is amended by striking out "5,000" and inserting in lieu thereof "6,000".

(j) Effective Date.—This section shall take effect on October 1, 1985.

SEC. 673. RIGHT OF MEMBERS OF NAVAL SERVICE TO TRANSFER CERTAIN EDUCATIONAL ENTITLEMENT TO SPOUSE OR DEPENDENT CHILDREN

Section 2147(a)(1) of title 10, United States Code, is amended—

(1) by inserting "(A)" after "(a)(1)";

(2) by striking out the second sentence; and

(3) by adding at the end thereof the following:

"(B) The Secretary of the Navy may authorize a member of the Navy or Marine Corps who is entitled to educational assistance under section 2142 of this title and whose enlistment that established such entitlement was the member's second reenlistment as a member of the armed forces to transfer all or part of such entitlement to the spouse or dependent child of such member after the completion of four years of active service of that second reenlistment if that reenlistment was for a period of at least six years.

"(C) A transfer under this paragraph may be revoked at any time by the person making the transfer.".

SEC. 674. CHANGES IN ELIGIBILITY REQUIREMENTS FOR THE ALL-VOLUNTEER FORCE EDUCATIONAL ASSISTANCE PROGRAM.

Chapter 30 of title 38, United States Code, is amended—

(1) in section 1411(a)(1)(B), by striking out "and without a break in service on active duty since December 31, 1976,"; and

(2) in section 1412(a)(1)(B) by striking out "and without a break in service on active duty since December 31, 1976,".

PART G—MISCELLANEOUS

SEC. 681. LEGAL REPRESENTATION OF CIVILIANS OVERSEAS

(a) In General.—Section 1037(a) of title 10, United States Code, is amended by striking out the period at the end of the first sentence and inserting in lieu thereof "and of persons not subject to the Uniform Code of Military Justice who are employed by or accompanying the armed forces in an area outside the United States and the territories and possessions of the United States, the Northern Mariana Islands, and the Commonwealth of Puerto Rico.".

(b) Effective Date.—The amendment made by subsection (a) shall apply with respect to costs incurred after September 30, 1985.

SEC. 682. ACCRUED LEAVE

Section 501 of title 37, United States Code, is amended by striking out "September 1, 1976" in subsections (b)(3) and (f) and inserting in lieu thereof "February 9, 1976".

SEC. 683. PAY ALLOTMENTS FOR NAVY AND MARINE CORPS

(a) STANDARDIZATION OF NAVAL SERVICE PAY ALLOTMENTS WITH ARMY AND AIR FORCE.—(1) Section 701 of title 37, United States Code, is amended—

(A) by striking out "of the Army or the Air Force" in subsections (a), (c), and (d)(1) and inserting in lieu thereof "of the Army, Navy, Air Force, or Marine Corps";

(B) by striking out "of the Army or the Air Force" in subsections (b) and (d)(2) and inserting in lieu thereof "of the Army, Navy, or Air Force"; and

(C) by striking out "Secretary of the Army or the Secretary of the Air Force, as the case may be" in subsections (a) and (d) and inserting in lieu thereof "Secretary of the military department concerned".

(2) The heading of such section is amended to read as follows:

"§ 701. Members of the Army, Navy, Air Force, and Marine Corps; contract surgeons".

(3) The item relating to such section in the table of sections in the beginning of chapter 13 of such title is amended to read as follows:

"701. Members of the Army, Navy, Air Force, and Marine Corps; contract surgeons.".

(b) CONFORMING AMENDMENTS.—(1) Sections 702, 705, and 805 of such title are repealed.

(2) The table of sections at the beginning of chapter 13 of such title is amended by striking out the items relating to sections 702 and 705.

(3) The table of sections at the beginning of chapter 15 of such title is amended by striking out the item relating to section 805.

SEC. 684. EXTENSION TO PHS AND NOAA OF AUTHORITY TO COLLECT DEBTS FROM PAY OF MEMBERS

Section 1007(c) of title 37, United States Code, is amended by striking out "armed forces" and inserting in lieu thereof "uniformed services".

SEC. 685. SURCHARGE FOR SALES AT ANIMAL DISEASE PREVENTION AND CONTROL CENTERS

(a) REQUIRED SURCHARGE.—The Secretary of Defense shall require that each time a sale is recorded at a military animal disease prevention and control center the person to whom the sale is made shall be charged a surcharge of $2.

(b) DEPOSIT OF RECEIPTS IN TREASURY.—Amounts received from surcharges under this section shall be deposited in the Treasury in accordance with section 3302 of title 31.

(c) CONFORMING AMENDMENT.—Section 1033 of the Department of Defense Authorization Act, 1984 (Public Law 98-94; 97 Stat. 672), is repealed.

(d) EFFECTIVE DATE.—This section shall take effect on October 1, 1985.

TITLE VII—SURVIVOR BENEFIT PLAN IMPROVEMENTS

SEC. 701. SHORT TITLE

This title may be cited as the "Survivor Benefit Plan Amendments of 1985".

PART A—GENERAL PROGRAM CHANGES

SEC. 711. ESTABLISHMENT OF TWO-TIER BENEFIT SYSTEM AND ELIMINATION OF SOCIAL SECURITY OFFSET

(a) REVISION IN SBP ANNUITY COMPUTATION.—Section 1451 of title 10, United States Code, is amended to read as follows:

"§ 1451. Amount of annuity

"(a)(1) In the case of a standard annuity provided to a beneficiary under section 1450(a) of this title (other than under section 1450(a)(4)), the monthly annuity payable to the beneficiary shall be determined as follows:

"(A) If the beneficiary is under 62 years of age when becoming entitled to the annuity, the monthly annuity shall be the amount equal to 55 percent of the base amount (as the base amount is adjusted from time to time under subsection 1401a of this title).

"(B) If the beneficiary is 62 years of age or older when becoming entitled to the annuity, the monthly annuity shall be the amount equal to 35 percent of the base amount (as the base amount is adjusted from time to time under section 1401a of this title). However, if the beneficiary is eligible to have the annuity computed under subsection (e) and if, at the time the beneficiary becomes entitled to the annuity, computation of the annuity under that subsection is more favorable to the beneficiary, the annuity shall be computed under that subsection.

"(2) In the case of a reserve-component annuity provided to a beneficiary under section 1450(a) of this title (other than under section 1450(a)(4)), the monthly annuity payable to the beneficiary shall be determined as follows:

"(A) If the beneficiary is under 62 years of age when becoming entitled to the annuity, the monthly annuity shall be the amount equal to a percentage of the base amount (as the base amount is adjusted from time to time under section 1401a of this title) that—

"(i) is less than 55 percent; and

"(ii) is determined under subsection (f).

"(B) If the beneficiary is 62 years of age or older when becoming entitled to the annuity, the monthly annuity shall be the amount equal to a percentage of the base amount (as the base amount is adjusted from time to time under section 1401a of this title) that—

"(i) is less than 35 percent; and

"(ii) is determined under subsection (f).

However, if the beneficiary is eligible to have the annuity computed under subsection (e) and if, at the time the beneficiary becomes entitled to the annuity, computation of the annuity under *that subsection is more favorable to the beneficiary, the annuity shall be computed under that subsection.*

"(b)(1) In the case of a standard annuity provided to a beneficiary under section 1450(a)(4) of this title, the monthly annuity payable to the beneficiary shall be the amount equal to 55 percent of the retired pay of the person who elected to provide the annuity after the reduction in that pay in accordance with section 1452(c) of this title.

"(2) In the case of a reserve-component annuity provided to a beneficiary under section 1450(a)(4) of this title, the monthly annuity payable to the beneficiary shall be the amount equal to a percentage of the retired pay of the person who elected to provide the annuity after the reduction in such pay in accordance with section 1452(c) of this title that—

"(A) is less than 55 percent; and

"(B) is determined under subsection (f).

"(3) For the purposes of paragraph (2), a person—

"(A) who provides an annuity that is determined in accordance with that paragraph;

"(B) who dies before becoming 60 years of age; and

"(C) who at the time of death is otherwise entitled to retired pay,

shall be considered to have been entitled to retired pay at the time of death. The retired pay of such person for the purposes of such paragraph shall be computed on the basis of the rates of basic pay in effect on the date on which the annuity provided by such person is to become effective in accordance with the designation of such person under section 1448(e) of this title.

"(c)(1) In the case of an annuity provided under section 1448(d) or 1448(f) of this title, the amount of the annuity shall be determined as follows:

"(A) If the person receiving the annuity is under 62 years of age when the member or former member dies, the monthly annuity shall be the amount equal to 55 percent of the retired pay to which the member or former member would have been entitled if the member or former member had been entitled to that pay based upon his years of active service when he died.

"(B) If the person receiving the annuity is 62 years of age or older when the member or former member dies, the monthly annuity shall be the amount equal to 35 percent of the retired pay to which the member or former member would have been entitled if the member or former member had been entitled to that pay based upon his years of active service when he died. However, if the beneficiary is eligible to have the annuity computed under subsection (e) and if, at the time the beneficiary becomes entitled to the annuity, computation of the annuity under that subsection is more favorable to the beneficiary, the annuity shall be computed under that subsection.

"(2) An annuity computed under paragraph (1) that is paid to a surviving spouse shall be reduced by the amount of dependency and indemnity compensation to which the surviving spouse is entitled under section 411(a) of title 38. Any such reduction shall be effective on the date of the commencement of the period of payment of such compensation under title 38.

"(3) In the case of an annuity provided by a member described in section 1448(d)(1)(C) of this title, the retired pay to which the member would have been entitled when he died shall be determined based upon the rate of basic pay in effect at the time of death for the highest grade other than a commissioned officer grade in which the member served on active duty satisfactorily, as determined by the Secretary concerned.

"(4) In the case of an annuity paid under section 1448(f) of this title, the retired pay of the person providing the annuity shall for the purposes of paragraph (1) be computed on the basis of the rates of basic pay in effect on the effective date of the annuity.

"(d)(1) The annuity of a person whose annuity is computed under clause (A) of subsection (a)(1), (a)(2), or (c)(1) shall be reduced on the first day of the month after the month in which the person becomes 62 years of age.

"(2)(A) Except as provided in subparagraph (B), the reduced amount of the annuity shall be the amount of the annuity that the person would be receiving on that date if the annuity had initially been computed under clause (B) of that subsection.

"(B) In the case of a person eligible to have the annuity computed under subsection (e) and for whom, at the time the person becomes 62 years of age, an annuity computed with a reduction under subsection (e)(3) is more favorable than an annuity with a reduction described in subparagraph (A), the reduction in the annuity shall be computed in the same manner as a reduction under subsection (e)(3).

"(e)(1) The following beneficiaries under the plan are eligible to have an annuity under the Plan computed under this subsection:

"(A) A beneficiary receiving an annuity under the Plan on October 1, 1985, as the widow or widower of the person providing the annuity.

"(B) A spouse beneficiary of a person who on October 1, 1985—

"(i) is a participant in the Plan;

"(ii) is entitled to retired pay or is qualified for that pay except that he has not applied for and been granted that pay; or

"(iii) would be eligible for retired pay under chapter 67 of this title but for the fact that he is under 60 years of age.

"(2) Subject to paragraph (3), an annuity computed under this subsection shall be determined as follows:

"(A) In the case of a beneficiary of a standard annuity under section 1450(a) of this title, the annuity shall be the amount equal to 55 percent of the base amount (as the base amount is adjusted from time to time under section 1401a of this title).

"(B) In the case of a beneficiary of a reserve-component annuity under section 1450(a) of this title, the annuity shall be the percentage of the base amount (as the base amount is adjusted from time to time under section 1401a of this title) that—

"(i) is less than 55 percent; and

"(ii) is determined under subsection (f).

"(C) In the case of a beneficiary of an annuity under section 1448(d) or 1448(f) of this title, the annuity shall be the amount equal to 55 percent of the retired pay of the person providing the annuity (as that pay is determined under subsection (c)).

"(3) An annuity computed under this subsection shall be reduced by the lesser of—

"(A) the amount of the survivor benefit, if any, to which the widow or widower would be entitled under title II of the Social Security Act (42 U.S.C. 401 et seq.) based solely upon service by the person concerned as described in section 210(l)(1) of such Act (42 U.S.C. 410(l)(1)) and calculated assuming that the person concerned lives to age 65; or

"(B) 40 percent of the amount of the monthly annuity as determined under paragraph (2).

"(4)(A) For the purpose of paragraph (3), a widow or widower shall not be considered as entitled to a benefit under title II of the Social Security Act (42 U.S.C. 401 et seq.) to the extent that such benefit has been offset by deductions under section 203 of such Act (42 U.S.C. 403) on account of work.

"(B) In the computation of any reduction made under paragraph (3), there shall be excluded any period of service described in section 210(l)(1) of the Social Security Act (42 U.S.C. 410(l)(1))—

"(i) which was performed after December 1, 1980; and1

"(ii) which involved periods of service of less than 30 continuous days for which the person concerned is entitled to receive a refund under section 6413(c) of the Internal Revenue Code of 1954 of the social security tax which the person had paid.

"(f) The percentage to be applied in determining the amount of an annuity computed under subsection (a)(2), (b)(2), or (e)(2)(B) shall be determined under regulations prescribed by the Secretary of Defense. Such regulations shall be prescribed taking into consideration—

"(1) the age of the person electing to provide the annuity at the time of such election;

"(2) the difference in age between such person and the beneficiary of the annuity;

"(3) whether such person provided for the annuity to become effective (in the event he died before becoming 60 years of age) on the day after his death or on the 60th anniversary of his birth;

"(4) appropriate group annuity tables; and

"(5) such other factors as the Secretary considers relevant.

"(g)(1) Whenever retired pay is increased under section 1401a of this title (or any other provision of law), each annuity that is payable under the Plan shall be increased at the same time by the same total percent. The amount of the increase shall be based on the monthly annuity payable before any reduction under section 1450(c) of this title or under subsection (c)(2).

"(2) The monthly amount of an annuity payable under this subchapter, if not a multiple of \$1, shall be rounded to the next lower multiple of \$1.".

(b) Conforming Amendment.—Section 641 of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2545), is repealed, effective as of September 1, 1985.

(c) Option for Certain Participants To Withdraw.—A person who during the period beginning on October 19, 1984, and ending on the date of the enactment of this Act became a participant in the Survivor Benefit Plan under subchapter II of chapter 73 of title 10, United States Code, may elect to withdraw from the Plan before the

end of the one-year period beginning on the date of the enactment of this Act. Any person who makes a withdrawal shall be paid the amount of the contributions by such person under the Plan, plus interest on such amount as determined by the Secretary of Defense.

SEC. 712. SBP COVERAGE FOR MEMBERS WHO DIE AFTER 20 YEARS OF SERVICE

(a) IN GENERAL.—Section 1448(d) of title 10, United States Code, is amended to read as follows:

"(d)(1) The Secretary concerned shall pay an annuity under this subchapter to the surviving spouse of a member who dies on active duty after—

"(A) becoming eligible to receive retired pay;

"(B) qualifying for retired pay except that he has not applied for or been granted that pay; or

"(C) completing 20 years of active service but before he is eligible to retire as a commissioned officer because he has not completed 10 years of active commissioned service.

"(2) The Secretary concerned shall pay an annuity under this subchapter to the dependent child of a member described in paragraph (1) if the member and the member's spouse die as a result of a common accident.

"(3) If a member described in paragraph (1) is required under a court order or spousal agreement to provide an annuity to a former spouse upon becoming eligible to be a participant in the Plan or has made an election under subsection (b) to provide an annuity to a former spouse, the Secretary—

"(A) may not pay an annuity under paragraph (1) or (2); but

"(B) shall pay an annuity to that former spouse as if the member had been a participant in the Plan and had made an election under subsection (b) to provide an annuity to the former spouse, or in accordance with that election, as the case may be, if the Secretary receives a written request from the former spouse concerned that the election be deemed to have been made in the same manner as provided in section 1450(f)(3) of this title.

"(4) An annuity that may be provided under this subsection shall be provided in preference to an annuity that may be provided under any other provision of this subchapter on account of service of the same member.

"(5) The amount of an annuity under this subsection is computed under section 1451(c) of this title.".

(b) PERSONS COVERED.—(1) Section 1448(d) of title 10, United States Code, as amended by subsection (a), applies to the surviving spouse and dependent children of a person who dies on active duty after September 20, 1972, and the former spouse of a person who dies after September 7, 1982.

(2) In the case of the surviving spouse and children of a person who dies during the period beginning on September 21, 1972, and ending on October 1, 1985, the Secretary concerned shall take appropriate steps to locate persons eligible for an annuity under section 1448(d) of title 10, United States Code, as amended by subsection (a). Any such person must submit an application to the Secretary for such an annuity before October 1, 1988, to be eligible to receive such

annuity. Any such annuity shall be effective only for months after the month in which the Secretary receives such application.

SEC. 713. ANNUITY FOR SURVIVORS OF CERTAIN RETIREMENT-ELIGIBLE RESERVISTS

(a) Eligibility.—Section 1448 of title 10, United States Code, is amended by adding at the end thereof the following new subsection:

"(f)(1) The Secretary concerned shall pay an annuity under this subchapter to the surviving spouse of a person who is eligible to provide a reserve-component annuity and who dies—

"(A) before being notified under section 1331(d) of this title that he has completed the years of service required for eligibility for retired pay under chapter 67 of this title; or

"(B) during the 90-day period beginning on the date he receives notification under section 1331(d) of this title that he has completed the years of service required for eligibility for retired pay under chapter 67 of this title if he had not made an election under subsection (a)(2)(B) to participate in the Plan.

"(2) The Secretary concerned shall pay an annuity under this subchapter to the dependent child of a person described in paragraph (1) if the person and the person's spouse die as a result of a common accident.

"(3) If a person described in paragraph (1) is required under a court order or spousal agreement to provide an annuity to a former spouse upon becoming eligible to be a participant in the Plan or has made an election under subsection (b) to provide an annuity to a former spouse, the Secretary—

"(A) may not pay an annuity under paragraph (1) or (2); but

"(B) shall pay an annuity to that former spouse as if the person had been a participant in the Plan and had made an election under subsection (b) to provide an annuity to the former spouse, or in accordance with that election, as the case may be, if the Secretary receives a written request from the former spouse concerned that the election be deemed to have been made in the same manner as provided in section 1450(f)(3) of this title.

"(4) The amount of an annuity under this subsection is computed under section 1451(c) of this title.".

(b) Effective Date of Annuity.—Section 1450(j) of such title is amended by adding at the end thereof the following new sentence: "An annuity payable under section 1448(f) of this title shall be effective on the day after the date of the death of the person upon whose service the right to the annuity is based.".

(c) Persons Covered.—(1) Section 1448(f) of title 10, United States Code, as added by subsection (a), shall apply to the surviving spouse and dependent children of any person who dies after September 30, 1978, and the former spouse of a person who dies after September 7, 1982.

(2) In the case of the surviving spouse and dependents of a person who dies during the period beginning on September 30, 1978, and ending on October 1, 1985, the Secretary concerned shall take appropriate steps to locate persons eligible for an annuity under section 1448(f) of title 10, United States Code, as added by subsection (a). Any such person must submit an application to the Secretary for

such an annuity before October 1, 1988, to be eligible to receive such annuity. Any such annuity shall be effective only for months after the month in which the Secretary receives such application.

SEC. 714. INDEXING OF THRESHOLD AMOUNT FOR CALCULATION OF REDUCTION OF RETIRED PAY

(a) IN GENERAL.—Section 1452(a) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(a)";

(2) in the first sentence—

(A) by redesignating clauses (1) and (2) as clauses (A) and (B), respectively;

(B) in clause (A) (as so redesignated)—

(i) by inserting "(as adjusted from time to time under paragraph (4))" after "$300"; and

(ii) by striking out "an annuity by virtue of eligibility under section 1448(a)(1)(A) of this title" and inserting in lieu thereof "a standard annuity"; and

(C) in clause (B) (as so redesignated), by striking out "an annuity by virtue of eligibility under section 1448(a)(1)(A)" and inserting in lieu thereof "a reserve-component annuity";

(3) by designating the second sentence as paragraph (2) and striking out "As long as" and all that follows through "that amount" and inserting in lieu thereof "If there is a dependent child as well as a spouse or former spouse, the amount prescribed under paragraph (1)";

(4) by designating the third sentence as paragraph (3) and in such sentence—

(A) by striking out "the first sentence of this subsection" and inserting in lieu thereof "paragraph (1)"; and

(B) by inserting "or former spouse" after "eligible spouse"; and

(5) by adding at the end thereof the following new paragraph:

"(4)(A) Whenever there is an increase in the rates of basic pay of members of the uniformed services effective on or after October 1, 1985, the amount under paragraph (1)(A) with respect to which the percentage factor of 2 1/2 is applied shall be increased by the overall percentage of such increase in the rates of basic pay. The increase under the preceding sentence shall apply only with respect to persons whose retired pay is computed based on the rates of basic pay in effect on or after the date of such increase in rates of basic pay.

"(B) In addition to the increase under paragraph (4)(A), the amount under paragraph (1)(A) with respect to which the percentage factor of 2 1/2 is applied shall be further increased at the same time and by the same percentage as an increase in retired pay under section 1401a of this title effective on or after October 1, 1985. Such increase under the preceding sentence shall apply only with respect to persons who initially participate in the Plan on a date which is after both the effective date of such increase under section 1401a and the effective date of the rates of basic pay upon which their retired pay is computed.".

(b) EFFECTIVE DATE.—The amendments made by clause (5) of subsection (a) shall apply only with respect to persons who first participate in the Plan on or after the effective date of this title.

SEC. 715. SBP COVERAGE UPON REMARRIAGE

(a) OPTION NOT TO RESUME COVERAGE UPON REMARRIAGE.—Section 1448(a) of title 10, United States Code, is amended by adding at the end thereof the following new paragraph:

"(6)(A) A person—

"(i) who is a participant in the Plan and is providing coverage for a spouse or a spouse and child;

"(ii) who does not have an eligible spouse beneficiary under the Plan; and

"(iii) who remarries,

may elect not to provide coverage under the Plan for the person's spouse.

"(B) If such an election is made, no reduction in the retired pay of such person under section 1452 of this title may be made. An election under this paragraph—

"(i) is irrevocable;

"(ii) shall be made within one year after the person's remarriage; and

"(iii) shall be made in such form and manner as may be prescribed in regulations under section 1455 of this title.

"(C) If a person makes an election under this paragraph—

"(i) not to participate in the Plan;

"(ii) to provide an annuity for the person's spouse at less than the maximum level; or

"(iii) to provide an annuity for a dependent child but not for the person's spouse,

the person's spouse shall be notified of that election.

"(D) This paragraph does not affect any right or obligation to elect to provide an annuity to a former spouse under subsection (b).".

(b) OPTION TO PROVIDE HIGHER COVERAGE UPON PAYMENT OF AMOUNTS NOT PREVIOUSLY WITHHELD.—Section 1448 of such title is amended by adding after subsection (f), as added by the amendment made by section 713(a), the following new subsection:

"(g)(1) A person—

"(A) who is a participant in the Plan and is providing coverage under subsection (a) for a spouse or a spouse and child, but at less than the maximum level; and

"(B) who remarries,

may elect, within one year of such remarriage, to increase the level of coverage provided under the Plan to a level not in excess of the current retired pay of that person.

"(2) Such an election shall be contingent on the person paying to the United States the amount determined under paragraph (3) plus interest on such amount at a rate determined under regulations prescribed by the Secretary of Defense.

"(3) The amount referred to in paragraph (2) is the amount equal to the difference between—

"(A) the amount that would have been withheld from such person's retired pay under section 1452 of this title if the higher

level of coverage had been in effect from the time the person became a participant in the Plan; and

"(B) the amount of such person's retired pay actually withheld.

"(4) An election under paragraph (1) shall be made in such manner as the Secretary shall prescribe and shall become effective upon receipt of the payment required by paragraph (2).

"(5) A payment received under this subsection by the Secretary of Defense shall be deposited into the Department of Defense Military Retirement Fund. Any other payment received under this subsection shall be deposited in the Treasury as miscellaneous receipts.".

SEC. 716. OPTION TO COVER BOTH A FORMER SPOUSE AND DEPENDENT CHILDREN OF A MEMBER

(a) OPTION TO PROVIDE COVERAGE.—Section 1448(b) of title 10, United States Code, is amended—

(1) by inserting "(other than a child who is a beneficiary under an election under paragraph (4))" in the second sentence of paragraph (2) after "that spouse or child";

(2) by redesignating paragraph (4) as paragraph (5); and

(3) by inserting after paragraph (3) the following new paragraph (4):

"(4) A person who elects to provide an annuity for a former spouse under paragraph (2) or (3) may, at the time of the election, elect to provide coverage under that annuity for both the former spouse and a dependent child, if the child resulted from the person's marriage to that former spouse.".

(b) REVISION FOR FORMER SPOUSE COVERAGE ALREADY IN EFFECT.—A person who before the date of the enactment of this Act made an election under section 1448(b) of title 10, United States Code, to provide an annuity for a former spouse may elect, within the one-year period beginning on that date of enactment, to change that election so as to provide an annuity for the former spouse and the dependent children of the person, as authorized by paragraph (4) of that section added by subsection (a) Such an election may be made even though the former spouse for whom the annuity was provided has died.

SEC. 717. AUTHORITY TO REPAY REFUNDED SBP DEDUCTIONS IN INSTALLMENTS

Section 1450(k) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(k)";

(2) by striking out "had never been made," and all that follows and inserting in lieu thereof "had never been made."; and

(3) by adding at the end thereof the following new paragraph:

"(2) A widow or widower whose annuity is readjusted under paragraph (1) shall repay any amount refunded under subsection (e) by reason of the adjustment under subsection (c). If the repayment is not made in a lump sum, the widow or widower shall pay interest on the amount to be repaid commencing on the date on which the first such payment is due and applied over the period during which any part of the repayment remains to be paid. The manner in which such repayment shall be made, and the rate of any such interest, shall be prescribed in regulations under section 1455 of this title. An amount repaid under this paragraph (including any such inter-

est) received by the Secretary of Defense shall be deposited into the Department of Defense Military Retirement Fund. Any other amount repaid under this paragraph shall be deposited into the Treasury as miscellaneous receipts.".

SEC. 718. EFFECTIVE DATE OF DIC OFFSET

Section 1450(c) of title 10, United States Code, is amended by adding at the end thereof the following new sentence: "A reduction in an annuity under this section required by the preceding sentence shall be effective on the date of the commencement of the period of payment of such compensation under title 38.".

SEC. 719. TECHNICAL AMENDMENTS TO SBP STATUTE

Subchapter II of chapter 73 of title 10, United States Code, is amended as follows:

(1) Section 1447 is amended by adding at the end thereof the following new paragraphs:

"(11) 'Retired pay' includes retainer pay.

"(12) 'Standard annuity' means an annuity provided by virtue of eligibility under section 1448(a)(1)(A) of this title.

"(13) 'Reserve-component annuity' means an annuity provided by virtue of eligibility under section 1448(a)(1)(B) of this title.".

(2) Section 1447(2)(C) is amended—

(A) by striking out "an annuity by virtue of eligibility under section 1448(a)(1)(A) of this title" in subclause (i) and inserting in lieu thereof "a standard annuity"; and

(B) by striking out "an annuity by virtue of eligibility under section 1448(a)(1)(B) of this title" in subclause (ii) and inserting in lieu thereof "a reserve-component annuity".

(3) Paragraphs (1) and (2) of section 1448(b) are each amended by striking out "an annuity under this paragraph by virtue of eligibility under subsection (a)(1)(B)" and inserting in lieu thereof "a reserve-component annuity".

(4) Section 1450(b) is amended by striking out "under this section" and inserting in lieu thereof "under the Plan".

(5) Section 1450(j) is amended by striking out "any person providing an annuity by virtue of eligibility under section 1448(a)(1)(B) of this title" and inserting in lieu thereof "a person providing a reserve-component annuity".

(6) Section 1450(l) is amended—

(A) by striking out "the plan" both places it appears in the first sentence of paragraph (1) and inserting in lieu thereof "the Plan"; and

(B) by striking out "the provision of" in paragraph (2).

(7) Section 1452(c) is amended—

(A) by striking out "the annuity by virtue of eligibility under section 1448(a)(1)(A) of this title" and inserting in lieu thereof "a standard annuity";

(B) by striking out "the annuity by virtue of eligibility under section 1448(a)(1)(B) of this title" and inserting in lieu thereof "a reserve-component annuity"; and

(C) by striking out "this section" in the third sentence and inserting in lieu thereof "this subsection".

(8)(A) The following sections are each amended by striking out "or retainer" each place it appears: 1448(a)(1)(A), 1448(a)(2)(A), 1448(b)(3)(B), 1450(d), 1450(e), 1450(l)(1), 1450(l)(3)(A)(i), 1452.

(B) The heading for section 1452, and the item relating to that section in the table of sections at the beginning of such subchapter, are each amended by striking out the penultimate and antepenultimate words.

PART B—PROVISIONS RELATING TO RIGHTS FOR SPOUSES AND FORMER SPOUSES

SEC. 721. SPOUSAL CONCURRENCE FOR ELECTIONS

(a) CONCURRENCE FOR SBP COVERAGE.—Section 1448(a) of title 10, United States Code, is amended—

(1) by inserting "(with his spouse's concurrence, if required under paragraph (3))" in paragraph (2)(A) after "unless he elects"; and

(2) by striking out paragraph (3) and inserting in lieu thereof the following:

"(3)(A) A married person who is eligible to provide a standard annuity may not without the concurrence of the person's spouse elect—

"(i) not to participate in the Plan;

"(ii) to provide an annuity for the person's spouse at less than the maximum level; or

"(iii) to provide an annuity for a dependent child but not for the person's spouse.

"(B) A married person who elects to provide a reserve-component annuity may not without the concurrence of the person's spouse elect—

"(i) to provide an annuity for the person's spouse at less than the maximum level; or

"(ii) to provide an annuity for a dependent child but not for the person's spouse.

"(C) A person may make an election described in subparagraph (A) or (B) without the concurrence of the person's spouse if the person establishes to the satisfaction of the Secretary concerned—

"(i) that the spouse's whereabouts cannot be determined; or

"(ii) that, due to exceptional circumstances, requiring the person to seek the spouse's consent would otherwise be inappropriate.

"(D) This paragraph does not affect any right or obligation to elect to provide an annuity for a former spouse (or for a former spouse and dependent child) under subsection (b)(2).

"(E) If a married person who is eligible to provide a standard annuity elects to provide an annuity for a former spouse (or for a former spouse and dependent child) under subsection (b)(2), that person's spouse shall be notified of that election.".

(b) CONCURRENCE FOR ELECTION OF COVERAGE AT LESS THAN MAXIMUM AMOUNT.—Section 1447(2)(C) of such title is amended by inserting "(with the concurrence of the person's spouse, if required under section 1448(a)(3) of this title)" after "designated by the person".

SEC. 722. CLARIFICATION OF STATUS OF SPOUSAL AGREEMENTS

Section 1450(f)(3) of title 10, United States Code, is amended—

(1) in subparagraph (A)—

(A) by inserting "or has been filed with the court of appropriate jurisdiction in accordance with applicable State law" after "by a court order"; and

(B) by inserting "or receives a statement from the clerk of the court (or other appropriate official) that such agreement has been filed with the court in accordance with applicable State law" before the period; and

(2) in subparagraphs (B) and (C), by inserting "or filing" after "court order".

SEC. 723. FORMER SPOUSE COVERAGE TO BE PROVIDED IN SPOUSE CATEGORY RATHER THAN INSURABLE INTEREST CATEGORY

(a) SPECIFICATION OF BENEFICIARIES.—Section 1450(a) of title 10, United States Code, is amended—

(1) by inserting "or the eligible former spouse" in clauses (1) and (2) after "widow or widower";

(2) in clause (3)—

(A) by inserting "(with the concurrence of the person's spouse, if required under section 1448(a)(3) of this title)" after "title applies"; and

(B) by inserting "or former spouse" after "the spouse"; and

(3) by striking out "former spouse or other" both places it appears in clause (4).

(b) CONFORMING AMENDMENTS.—(1) Section 1450 of such title is amended by striking out "widow or widower" each place it appears and inserting in lieu thereof "widow, widower, or former spouse".

(1) by inserting "or former spouse" after "spouse" the first two places it appears in subsection (a); and

(2) Section 1452 of such title is amended—by inserting "or former spouse" after "spouse" both places it appears in subsection (b).

(c) ONE-YEAR OPEN PERIOD TO SWITCH COMPUTATION OF SBP ANNUITY.—A person who, before the effective date of this title, participated in the Survivor Benefit Plan under subchapter II of chapter 73 of title 10, United States Code, and had elected to provide an annuity to a former spouse may, with the concurrence of such former spouse, elect to terminate such annuity and provide an annuity to such former spouse under section 1450(a)(1) of such title. Any such election shall be made before the end of the 12-month period beginning on the date of the enactment of this Act.

(d) ONE-YEAR OPEN PERIOD FOR NEW FORMER SPOUSE COVERAGE.—A person who before the effective date of this part was a participant in the Survivor Benefit Plan and did not elect to provide an annuity to a former spouse may elect to provide an annuity to a former spouse under the Plan. Any such election shall be made before the end of the 12-month period beginning on the date of the enactment of this Act.

SEC. 724. NOTICE OF ELECTIONS AVAILABLE

Section 1455 of title 10, United States Code, is amended by striking out paragraphs (1) and (2) and inserting in lieu thereof the following:

"(1) provide that before the date the member becomes entitled to retired pay—

"(A) if the the member is married, the member and the member's spouse shall be informed of the elections available under section 1448(a) of this title and the effects of such elections; and

"(B) if the notification referred to in section 1448(a)(3)(E) of this title is required, any former spouse of the member shall be informed of the elections available and the effects of such elections; and

"(2) establish procedures for depositing the amounts referred to in sections 1448(g), 1450(k)(2), and 1452(d) of this title.".

PART C—EFFECTIVE DATE AND REPORT

SEC. 731. EFFECTIVE DATE

(a) EFFECTIVE DATE.—Except as otherwise provided in this title, the amendments made by this title shall take effect on the first day of the first month beginning more than 90 days after the date of the enactment of this Act.

(b) PROSPECTIVE BENEFITS ONLY.— No benefit shall accrue to any person by reason of the enactment of this title for any period before the effective date under subsection (a).

SEC. 732. REPORT ON ESTABLISHING NEEDS-BASED SURVIVOR BENEFIT ANNUITY PROGRAM FOR SURVIVING SPOUSES OF CERTAIN RETIRED RESERVISTS

(a) REQUIREMENT FOR REPORT.—The Secretary of Defense shall submit to Congress a report containing a plan for establishing a needs-based survivor annuity program for surviving spouses of members of the uniformed services who—

(1) died before September 30, 1978; and

(2) at the time of death would have been eligible for retired pay under chapter 67 of title 10, United States Code, but for the fact they were under 60 years of age.

(b) SCOPE OF PLAN.—The plan shall take into consideration the surviving spouse's income for purposes of determining eligibility under the plan. In developing the plan, the Secretary of Defense should analyze a variety of options, including a plan similar to the Minimum Income Widows Program established pursuant to Public Law 92-425, and shall provide an accounting of the number of potential beneficiaries and the projected cost under each such option.

(c) DEADLINE FOR REPORT.—The report required by this section shall be submitted by December 31, 1985.

TITLE VIII—MILITARY FAMILY POLICY AND PROGRAMS

SEC. 801. SHORT TITLE

This title may be cited as the "Military Family Act of 1985".

SEC. 802. OFFICE OF FAMILY POLICY

(a) ESTABLISHMENT.—There is hereby established in the Office of the Secretary of Defense an Office of Family Policy (hereinafter in this section referred to as the "Office"). The Office shall be under the Assistant Secretary of Defense for Force Management and Personnel.

(b) D*UTIES*.*—The Office—*

(1) shall coordinate programs and activities of the military departments to the extent that they relate to military families; and

(2) shall make recommendations to the Secretaries of the military departments with respect to programs and policies regarding military families.

(c) S*TAFF*.*—The Office shall have not less than five professional staff members.*

(d) R*EPORT*.*—The Secretary of Defense shall submit a report to Congress concerning the Office no later than September 30, 1986. The report shall include—*

(1) a description of the activities of the Office and the composition of its staff; and

(2) the recommendations of the Office for legislative and administrative action to enhance the well-being of military families.

SEC. 803. TRANSFER OF MILITARY FAMILY RESOURCE CENTER

The Military Family Resource Center of the Department of Defense is hereby transferred from the Office of the Assistant Secretary of Defense for Health Affairs to the Office of the Assistant Secretary for Force Management and Personnel.

SEC. 804. SURVEYS OF MILITARY FAMILIES

The Secretary of Defense may conduct surveys of members of the Armed Forces serving on active duty, members of the families of such members, and retired members of the Armed Forces to determine the effectiveness of existing Federal programs relating to military families and the need for new programs. Responses to surveys conducted under this section shall be voluntary. With respect to such surveys, family members or members of the Armed Forces and retired members of the Armed Forces shall be considered to be employees of the United States for purposes of section 3502(4)(A) of title 44, United States Code.

SEC. 805. FAMILY MEMBERS SERVING ON ADVISORY COMMITTEES

A committee within the Department of Defense which advises or assists the Department in the performance of any function which affects members of military families and which includes members of military families in its membership shall not be considered an advisory committee under section 3(2) of the Federal Advisory Committee Act (5 U.S.C. App.) solely because of such membership.

SEC. 806. EMPLOYMENT OPPORTUNITIES FOR MILITARY SPOUSES

(a) A*UTHORITY*.*—The President shall order such measures as the President considers necessary to increase employment opportunities for spouses of members of the Armed Forces. Such measures may include—*

(1) excepting, pursuant to section 3302 of title 5, United States Code, from the competitive service positions in the Department of Defense located outside of the United States to provide employment opportunities for qualified spouses of members of the Armed Forces in the same geographical area as the permanent duty station of the members; and

(2) providing preference in hiring for positions in nonappropriated fund activities to qualified spouses of members of the Armed Forces stationed in the same geographical area as the nonappropriated fund activity for positions in wage grade UA-8 and below and equivalent positions and for positions paid at hourly rates.

(b) REGULATIONS.—The Secretary of Defense shall prescribe regulations—

(1) to implement such measures as the President orders under subsection (a);

(2) to provide preference hiring to qualified spouses of members of the Armed Forces in hiring for any position in the Department of Defense above grade GS-7 (or its equivalent) if the spouse is among persons determined to be best qualified for the position and if the position is located in the same geographical area as the permanent duty station of the member;

(3) to ensure that notice of any vacant position in the Department of Defense is provided in a manner reasonably designed to reach spouses of members of the Armed Forces whose permanent duty stations are in the same geographic area as the area in which the position is located; and

(4) to ensure that the spouse of a member of the Armed Forces who applies for a vacant position in the Department of Defense shall, to the extent practicable, be considered for any such position located in the same geographic area as the permanent duty station of the member.

(c) STATUS OF PREFERENCE ELIGIBLES.—Nothing in this section shall be construed to provide a spouse of a member of the Armed Forces with preference in hiring over an individual who is a preference eligible.

SEC. 807. YOUTH SPONSORSHIP PROGRAM

The Secretary of Defense shall direct that there be established at each military installation a youth sponsorship program to facilitate the integration of dependent children of members of the Armed Forces into new surroundings when moving to that military installation as a result of a parent's permanent change of station. Such a program shall, to the extent feasible, provide for involvement of dependent children of members presently stationed at the military installation.

SEC. 808. DEPENDENT STUDENT TRAVEL WITHIN THE UNITED STATES

Funds available to the Department of Defense for the travel and transportation of dependent students of members of the Armed Forces stationed overseas may be obligated for transportation allowances for travel within or between the contiguous States.

SEC. 809. RELOCATION AND HOUSING

(a) RELOCATION ASSISTANCE.—The Secretary of Defense shall submit to Congress a report on the desirability and feasibility of providing relocation assistance to members of the uniformed services and their families through contracts entered into by the Department of Defense with firms which provide such assistance to individuals. Such report shall be submitted not later than March 1, 1986.

(b) Amortization Period for Parking Facilities for House Trailers and Mobile Homes.—Section 403(k) of title 37, United States Code, is amended by striking out "15-year period" and inserting in lieu thereof "25-year period".

(c) Cost of Unaccompanied Personnel Housing for Members of Uniformed Service.—Section 5911 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(h) A member of the uniformed service on a permanent change of duty station or temporary duty orders and occupying unaccompanied personnel housing—

"(1) is exempt from the requirement of subsection (c) to pay a rental rate or charge based on the reasonable value of the quarters and facilities provided; and

"(2) shall pay such lesser rate or charge as the Secretary of Defense establishes by regulation.".

SEC. 810. FOOD PROGRAMS

(a) Food Costs for Certain Enlisted Members.—Section 1011 of title 37, United States Code, is amended by adding at the end thereof the following new subsection:

"(c) Spouses and dependent children of enlisted members in pay grades E-1, E-2, E-3, and E-4 may not be charged for meals sold at messes in excess of a level sufficient to cover food costs.".

(b) Report on Issuance of Food Stamp Coupons to Overseas Households of Members Stationed Outside the United States.—(1) The Secretary of Defense shall submit to Congress a report on the feasibility of having the Department issue food stamp coupons to overseas households of members stationed outside the United States.

(2) The report shall include—

(A) an estimate of the cost of providing the coupons; and

(B) legislative and administrative recommendations for providing for the issuance of the coupons.

(3) The report shall be submitted not later than December 31, 1985.

SEC. 811. REPORTING OF CHILD ABUSE

(a) In General.—The Secretary of Defense shall request each State to provide for the reporting to the Secretary of any report the State receives of known or suspected instances of child abuse and neglect in which the person having care of the child is a member of the Armed Forces (or the spouse of the member).

(b) Definition.—For purposes of this section the term "child abuse and neglect" shall have the same meaning as provided in section 3(1) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5102).

SEC. 812. MISCELLANEOUS REPORTING REQUIREMENTS

(a) Housing Availability.—(1) The Secretary of Defense shall submit to Congress a report on the availability and affordability of off-base housing for members of the Armed Forces and their families.

(2) The report shall—

(A) examine the availability of affordable housing for each pay grade and for all geographic areas within the United States and for appropriate overseas locations; and

(B) examine the relocation assistance provided by the Department of Defense incident to a permanent change of station by a member of the Armed Forces in locating housing at the member's new duty station and in disposing of housing at the member's old duty station.

(3) The report shall be submitted within one year after the date of the enactment of this Act.

(b) NEED FOR ASSISTANCE TO DEPENDENTS ENTERING NEW SECONDARY SCHOOLS.—The Secretary of Defense shall submit to Congress a report recommending administrative and legislative action to assist families of members of the Armed Forces making a permanent change of station so that a dependent child who transfers between secondary schools with different graduation requirements is not subjected to unnecessary disruptions in education or inequitable, unduly burdensome, or duplicative education requirements. Such report shall be submitted within one year after the date of the enactment of this Act.

SEC. 813. EFFECTIVE DATE

This title shall take effect on October 1, 1985.

TITLE IX—PROCUREMENT POLICY REFORM AND OTHER PROCUREMENT MATTERS

SEC. 901. SHORT TITLE

This title may be cited as the "Defense Procurement Improvement Act of 1985".

PART A—PROGRAM MANAGEMENT MATTERS

SEC. 911. REGULATIONS RELATING TO ALLOWABLE COSTS

(a) REGULATION OF ALLOWABLE COSTS PAYABLE TO DEFENSE CONTRACTORS.—(1) Chapter 137 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§2324. Allowable costs under defense contracts

"(a)(1) The Secretary of Defense shall require that a covered contract provide that if the contractor submits to the Department of Defense a proposal for settlement of indirect costs incurred by the contractor for any period after such costs have been accrued and if that proposal includes the submission of a cost which is unallowable because the cost violates a cost principle in the Federal Acquisition Regulation or the Department of Defense Supplement to the Federal Acquisition Regulation, the cost shall be disallowed.

"(2) If the Secretary determines by clear and convincing evidence that a cost submitted by a contractor in its proposal for settlement is unallowable under paragraph (1), the Secretary shall assess a penalty against the contractor in an amount equal to—

"(A) the amount of the disallowed costs; plus

"(B) interest (to be computed based on regulations issued by the Secretary) to compensate the United States for the use of

any funds which a contractor has been paid in excess of the amount to which the contractor was entitled.

"(b) If the Secretary determines that a proposal for settlement of indirect costs submitted by a contractor includes a cost determined to be unallowable in the case of such contractor before the submission of such proposal, the Secretary shall assess a penalty against the contractor, in addition to the penalty assessed under subsection (a), in an amount equal to two times the amount of such cost.

"(c) An action of the Secretary under subsection (a) or (b)—

"(1) shall be considered a final decision for the purposes of section 6 of the Contract Disputes Act of 1978 (41 U.S.C. 605); and

"(2) is appealable in the manner provided in section 7 of such Act (41 U.S.C. 606).

"(d) If any penalty is assessed under subsection (a) or (b) with respect to a proposal for settlement of indirect costs, the Secretary may assess an additional penalty of not more than $10,000 per proposal.

"(e)(1) The following costs are not allowable under a covered contract:

"(A) Costs of entertainment, including amusement, diversion, and social activities and any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities).

"(B) Costs incurred to influence (directly or indirectly) legislative action on any matter pending before Congress or a State legislature.

"(C) Costs incurred in defense of any civil or criminal fraud proceeding or similar proceeding (including filing of any a false certification) brought by the United States where the contractor is found liable or has pleaded nolo contendere to a charge of fraud or similar proceeding (including filing of a false certification).

"(D) Payments of fines and penalties resulting from violations of, or failure to comply with, Federal, State, local, or foreign laws and regulations, except when incurred as a result of compliance with specific terms and conditions of the contract or specific written instructions from the contracting officer authorizing in advance such payments in accordance with applicable regulations of the Secretary of Defense.

"(E) Costs of membership in any social, dining, or country club or organization.

"(F) Costs of alcoholic beverages.

"(G) Contributions or donations, regardless of the recipient.

"(H) Costs of advertising designed to promote the contractor or its products.

"(I) Costs of promotional items and memorabilia, including models, gifts, and souvenirs.

"(J) Costs for travel by commercial aircraft which exceed the amount of the standard commercial fare.

"(2) The Secretary shall prescribe regulations to implement this section. Such regulations may establish appropriate definitions, exclusions, limitations, and qualifications.

"(f)(1) The Secretary shall prescribe proposed regulations to amend those provisions of the Department of Defense Supplement to the

Federal Acquisition Regulation dealing with the allowability of contractor costs. The amendments shall define in detail and in specific terms those costs which are unallowable, in whole or in part, under covered contracts. These regulations shall, at a minimum, clarify the cost principles applicable to contractor costs of the following:

"(A) Air shows.

"(B) Membership in civic, community, and professional organizations.

"(C) Recruitment.

"(D) Employee morale and welfare.

"(E) Actions to influence (directly or indirectly) executive branch action on regulatory and contract matters (other than costs incurred in regard to contract proposals pursuant to solicited or unsolicited bids).

"(F) Community relations.

"(G) Dining facilities.

"(H) Professional and consulting services, including legal services.

"(I) Compensation.

"(J) Selling and marketing.

"(K) Travel.

"(L) Public relations.

"(M) Hotel and meal expenses.

"(N) Expense of corporate aircraft.

"(O) Company-furnished automobiles.

"(P) Advertising.

"(2) The regulations shall require that a contracting officer not resolve any questioned costs until he has obtained—

"(A) adequate documentation with respect to such costs; and

"(B) the opinion of the defense contract auditor on the allowability of such costs.

"(3) The regulations shall provide that, to the maximum extent practicable, the defense contract auditor be present at any negotiation or meeting with the contractor regarding a determination of the allowability of indirect costs of the contractor.

"(4) The regulations shall require that all categories of costs designated in the report of the defense contract auditor as questioned with respect to a proposal for settlement be resolved in such a manner that the amount of the individual questioned costs that are paid will be reflected in the settlement.

"(g) The regulations of the Secretary required to be prescribed under subsections (e) and (f)(1) shall require, to the maximum extent practicable, that such regulations apply to all subcontractors of a covered contract.

"(h)(1) A proposal for settlement of indirect costs applicable to a covered contract shall include a certification by an official of the contractor that, to the best of the certifying official's knowledge and belief, all indirect costs included in the proposal are allowable. Any such certification shall be in a form prescribed by the Secretary.

"(2) The Secretary of Defense or the Secretary of the military department concerned may waive the requirement for certification under paragraph (1) in the case of any contract if the Secretary—

"(A) determines in such case that it would be in the interest of the United States to waive such certification; and

"(B) states in writing the reasons for that determination and makes such determination available to the public.

"(i) The submission to the Department of Defense of a proposal for settlement of costs for any period after such costs have been accrued that includes a cost that is expressly specified by statute or regulation as being unallowable, with the knowledge that such cost is unallowable, shall be subject to the provisions of section 287 of title 18 and section 3729 of title 31.

"(j) In this section, 'covered contract' means a contract for an amount more than $100,000 entered into by the Department of Defense other than a fixed-price contract without cost incentives.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"2324. Allowable costs under defense contracts.".

(b) REGULATIONS.—(1) Not later than 150 days after the date of the enactment of this Act, the Secretary of Defense shall prescribe the regulations required by subsections (e) and (f) of section 2324 of title 10, United States Code, as added by subsection (a). Such regulations shall be published in accordance with section 22 of the Office of Federal Procurement Policy Act (41 U.S.C. 418b).

(2) The Secretary shall review such regulations at least once every five years. The results of each such review shall be made public.

(c) EFFECTIVE DATE.—Section 2324 of title 10, United States Code, as added by subsection (a), shall apply only to contracts for which solicitations are issued on or after the date on which such regulations are prescribed.

SEC. 912. MULTIPLE SOURCES FOR MAJOR DEFENSE ACQUISITION PROGRAMS

(a) IN GENERAL.—(1) Chapter 137 of title 10, United States Code, is amended by inserting after section 2305 the following new section:

"§ 2305a. Major programs: competitive alternative sources

"(a)(1) The Secretary of Defense may not begin full-scale development under a major program until—

"(A) the Secretary prepares an acquisition strategy for the program; and

"(B) the Secretary submits to the Committees on Armed Services of the Senate and House of Representatives a report describing the acquisition strategy for that program.

"(2) The report required by paragraph (1)(B) shall be submitted not later than the date of the submission of the President's budget to Congress for the fiscal year for which the initial request is made for appropriations for full-scale development of the program.

"(3) If the Secretary proposes to revise an acquisition strategy prepared under paragraph (1) after the report on that strategy is submitted under that paragraph, the Secretary shall submit to the committees a report describing the proposed revision. Such a revision may not be implemented until 60 days after the date on which the report on the revision is received by those committees.

"(4) The Secretary shall ensure that contracts for each major program are awarded in accordance with the acquisition strategy for such program.

"(b)(1) The acquisition strategy prepared under subsection (a) for a major program shall provide that there will be competitive alternative sources available for the system (and each major subsystem) under the program throughout the period from the beginning of full-scale development through the end of production.

"(2) In carrying out this subsection, the Secretary may provide that the requirement for competitive alternative sources for a system or subsystem is satisfied even though the sources for that system or subsystem do not develop or produce identical systems if the systems developed or produced serve similar functions and compete effectively with each other.

"(c)(1) In preparing an acquisition strategy for a major program, the Secretary may waive subsection (b) with respect to full-scale development of that program if the Secretary determines that the application of that subsection to full-scale development of that program—

"(A) would not materially reduce the technological risks associated with the program;

"(B) would not likely result in an improvement in design commensurate with the additional cost;

"(C) would result in unacceptable delays in fulfilling the needs of the Department of Defense; or

"(D) would be adverse to the national security interests of the United States.

"(2) In preparing an acquisition strategy for a major program, the Secretary may waive the requirement of subsection (b) with respect to production under the program if the Secretary determines that the application of that subsection to production under the program—

"(A) would increase the total cost for the program;

"(B) would result in unacceptable delays in fulfilling the needs of the Department of Defense; or

"(C) would be adverse to the national security interests of the United States.

"(3) If the Secretary grants a waiver under paragraph (1) or (2), the report submitted under subsection (a) with respect to that program—

"(A) shall include notice that the waiver has been made; and

"(B) shall set forth the reasons for the waiver, together with supporting documentation of comparative cost and schedule estimates and other background material.

"(4) The Secretary shall separately exercise the authority under paragraphs (1) and (2) for each major defense acquisition program.

"(d) In this section:

"(1) 'Major program' means a major defense acquisition program, as such term is defined in section 139a(a) of this title.

"(2) 'Major subsystem', with respect to a major program, means a subsystem of the system developed under the program that is purchased directly by the United States and for which—

"(A) the amount for research, development, test and evaluation is 10 percent or more of the amount specified in sec-

tion 139a(a)(1)(B) of this title as the research, development, test and evaluation funding criterion for identification of a major defense acquisition program; or

"(B) the amount for production is 10 percent or more of the amount specified in section 139a(a)(1)(B) of this title as the production funding criterion for identification of a major defense acquisition program.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2305 the following new item:

"2305a. Major programs: competitive alternative sources."

(b) Effective Date.—Section 2305a of title 10, United States Code, as added by subsection (a), shall apply with respect to major defense acquisition programs for which funds for full-scale development are first requested for a fiscal year after fiscal year 1986.

SEC. 913. MINIMUM PERCENTAGE OF COMPETITIVE PROCUREMENTS

(a) Annual Goal.—The Secretary of Defense shall establish for each fiscal year a goal for the percentage of defense procurements to be made during that year (expressed in total dollar value of contracts entered into) that are to be competitive procurements.

(b) Annual Report.—(1) The Secretary shall submit to Congress a report each year on the goal for the next fiscal year. Such report shall propose means for promoting and expanding competition in Department of Defense procurement and shall summarize the accomplishments in meeting the established goals for the prior fiscal year.

(2) The report shall be submitted not later than April 1 of each year with respect to the next fiscal year.

(c) Definition.—For the purposes of this section, the term "competitive procurements" means procurements made by the Department of Defense through the use of competitive procedures, as defined in section 2304 of title 10, United States Code.

SEC. 914. REGULATIONS TO CONTROL PRICES THAT MAY BE PAID FOR SPARE PARTS

(a) Identification of Management Problems.—The Congress determines that in the acquisition of spare parts the Department of Defense has in some instances paid unreasonably high prices due to the following management problems:

(1) Some parts have been built to overly detailed specifications.

(2) Some parts have been designed and fabricated in such a manner that excessive engineering and manufacturing steps have been involved resulting in a price in excess of the intrinsic value of the part.

(3) Some parts have been purchased in very small, and thus highly uneconomic, quantities.

(4) Some parts have had inappropriate amounts of corporate overhead assigned to them, resulting in a price in excess of the intrinsic value of the part.

(5) Some parts have not been purchased directly from the manufacturer, and thus the Government has unnecessarily paid an additional profit to the seller.

(6) Some parts have not been purchased through a competitive process.

(7) Some parts have been sold with unreasonably high profits included in the price.

(b) Report.—(1) The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report—

(A) describing the specific actions taken by the Department of Defense to address the management problems identified in subsection (a); and

(B) evaluating such actions to determine whether the actions have been successful in remedying those management problems.

(2) The report shall be submitted not later than January 31, 1986.

(c) Proposals for Additional Administrative or Legislative Remedies.—If the Secretary of Defense concludes that the management problems identified in subsection (a) have not been successfully remedied by actions of the Department of Defense, the Secretary—

(1) shall issue proposed regulations to limit the prices that may be charged by defense contractors for spare parts; and

(2) shall, if the Secretary determines that legislation is necessary to remedy any of such problems, submit to Congress proposed legislation to remedy those problems.

(d) Construction of Section.—This section does not supersede the requirements of section 1245 of the Department of Defense Authorization Act, 1985 (Public Law 98–525), the provisions of which the Secretary of Defense has failed to comply with as of July 25, 1985.

SEC. 915. SHOULD-COST ANALYSES

(a) Report on Annual Plan.—The Secretary of Defense shall submit to Congress an annual report setting forth the Secretary's plan for the performance during the next fiscal year of cost analyses for major defense acquisition programs for the purpose of determining how much the production of covered systems under such programs should cost. The report shall describe—

(1) which covered systems the Secretary plans to apply such an analysis to;

(2) which covered systems the Secretary does not plan to apply such an analysis to and, in each such case, the reasons for not applying such an analysis; and

(3) which systems were determined not to be covered systems under a major defense acquisition program and the reasons for that determination.

(b) Covered Systems.—For the purposes of subsection (a), a system under a major defense acquisition program shall be considered to be a covered system if—

(1) a production contract for the system is to be awarded during the year following the next fiscal year using procedures other than full and open competition;

(2) initial production of the system has already taken place;

(3) the current plans for the Department of Defense include production of substantial quantities of identical or similar items in fiscal years beyond the next fiscal year;

(4) the work to be performed under the contract is sufficiently defined to permit an effective analysis of what production of the system by the contractor should cost; and

(5) major changes in the program are unlikely.

(c) Submittal of Report.—The report required by subsection (a) shall be submitted to the Committees on Armed Services of the Senate and the House of Representatives not later than the date on which the budget for the next fiscal year is submitted each year.

(d) Definition.—The term "major defense acquisition program" has the meaning given such term in section 139a(a)(1) of title 10, United States Code.

(e) Effective Date.—This section shall apply to covered systems for which initial production funds are first appropriated for a fiscal year after fiscal year 1986.

SEC. 916. LIMITATIONS ON PROGRESS PAYMENTS

(a) In General.—The Secretary of Defense shall ensure that any payment for work in progress (including materials, labor, and other items) under a defense contract that provides for such payments is commensurate with the work, which meets standards of quality established under the contract, that has been accomplished.

(b) Requirements With Respect to Undefinitized Contracts.—The Secretary shall ensure that progress payments referred to in subsection (a) are not made for more than 80 percent of the work accomplished under a defense contract so long as the Secretary has not made the contractual terms, specifications, and price definite.

(c) Waiver of Small Purchases.—This section does not apply to contracts for amounts less than the threshold for small purchases applicable under section 2304(g)(2) of title 10, United States Code.

(d) Effective Date.—This section shall apply only to contracts for which solicitations are issued on or after 150 days after the enactment of this Act.

SEC. 917. COST AND PRICE MANAGEMENT IN DEFENSE PROCUREMENT

(a) In General.—Chapter 141 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 2406. Cost and price management

"(a) In this section:

"(1) 'Covered contract' means a contract that is awarded by a defense agency using procedures as defined in chapter 137 of this title and that is subject to the provisions of section 2306(f) of this title, including contracts for full-scale engineering, development, or production.

"(2) 'Defense agency' means the Department of Defense, the Department of the Army, the Department of the Navy, the Department of the Air Force, and the Defense Logistics Agency.

"(b)(1) A defense agency that is responsible for the acquisition of property (including major manufactured end items) or services under a covered contract shall cause to be recorded the contractor's proposed and negotiated cost and pricing data acquired by the agency into appropriate categories. Such categories shall include labor costs, material costs, subcontract costs, overhead costs, general

and administrative costs, fee or profit, recurring costs, and nonrecurring costs.

"(2)(A) A defense agency that is responsible for the acquisition of major manufactured end items under a covered contract shall cause to be recorded the proposed and negotiated bills of labor for labor use by the prime contractor and each associate contractor in manufacturing the item and for labor used by each such contractor in performing routine testing relating to the item. The bill of labor relating to the labor used by any such contractor shall reflect such contractor's computation of the work required in manufacturing parts and subassemblies for the end item and in performing routine testing of such parts and subassemblies.

"(B) Each contractor preparing a bill of labor referred to in subparagraph (A) shall specify in the bill of labor the current industrial engineering standard hours of work content (also known as 'should-take times') for the work included in a component of the bill of labor and for the total work included in the bill of labor. The contractor shall base the standard hours of work content specified in the bill of labor on the 'fair day's work' concept, as such term is understood in competitive commercial manufacturing industries in the United States. The contractor's standard hours of work content included in the bill of labor may not vary from time standards derived from commercially available predetermined time standard systems widely used in the United States, as determined by the defense agency, subject to verification by audit.

"(C) The head of a defense agency acquiring a bill of labor referred to in subparagraph (A) shall provide for the maintenance of the information relating to standard hours of work content included under subparagraph (B) and shall review such information to determine changes in measured work content as work progresses under the contract to which the bill of labor relates.

"(3) A defense agency that is responsible for the acquisition of major manufactured end items under a covered contract shall cause to be recorded the proposed and negotiated bills of material used by the prime contractor and each associate contractor under the contract in manufacturing the item and of material used by each such contractor in performing routine testing relating to the item. The bill of material used by any such contractor shall reflect such contractor's computation of the material required for manufacturing parts and subassemblies for the end item and for routine testing of such parts and subassemblies. The costs set out in the bill of material shall be expressed in current dollars and shall be maintained and received in a manner similar to the manner provided for bills of labor in paragraph (2)(C).

"(4) A defense agency that is responsible for the acquisition of property (including major manufactured end items) or services under a covered contract shall cause to be recorded incurred costs under the contract in the same manner as the defense agency categorizes and records proposed and negotiated costs, including grouping the costs as provided under paragraph (1).

"(c)(1) Nothing in this section shall prohibit a contractor from submitting a request for payment or reimbursement for any bill of labor or any bill of material developed pursuant to an approved system of cost principles and procedures.

"(2) Nothing in this section shall require the submission of the information to be submitted under this section if the contractor does not maintain such information on the date of the enactment of this section.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"2406. Cost and price management.".

SEC. 918. CONTRACTED ADVISORY AND ASSISTANCE SERVICES

(a) ACCOUNTING PROCEDURE.—(1) The Secretary of Defense shall require that there be established within each military department an accounting procedure to aid in the identification and control of expenditures for services identified as contracted advisory and assistance services.

(2) Not later than six months after the date of the enactment of this Act, the Secretary shall submit to Congress a report describing the accounting procedure established in accordance with paragraph (1) and the implementation of that procedure in each military department.

(b) REGULATIONS TO IDENTIFY CONTRACTED ADVISORY AND ASSISTANCE SERVICES.—(1) The Secretary shall prescribe regulations which specifically describe—

(A) what services the Department of Defense considers to be contracted advisory and assistance services; and

(B) of those services, which services are carried out in direct support of a weapon system and are essential to the development, production, or maintenance of the system.

(2) In prescribing regulations under paragraph (1), the Secretary shall consider the following areas:

(A) Management and professional services.

(B) Special studies and analyses.

(C) Management and support services for research and development activities.

(D) Training.

(E) Management review of program-funded organizations.

(F) Public relations.

(G) Other consulting services.

(H) Engineering development and operational systems development related to research and development activities and production activities.

(I) Technical assistance.

(J) Technical representation.

(K) Quality control, testing, and inspection services.

(L) Specialized medical services.

(M) Architectural and engineering services, other than in connection with construction.

(N) Technical and management assistance for weapons systems management and review.

(3) Regulations required by paragraph (1) shall be prescribed not later than six months after the date of the enactment of this Act.

(c) CONGRESSIONAL BUDGET DOCUMENTS.—Budget documents presented to Congress in support of the annual budget for the Department of Defense—

(1) shall identify the total amount requested for contracted advisory and assistance services (as defined under regulations prescribed under subsection (b));

(2) shall identify the amount requested for each category of such services established by regulations prescribed under subsection (b); and

(3) within each such category, shall separately set forth amounts for such services described in subsection (b)(1)(B).

SEC. 919. REVISION AND EXTENSION OF PROCUREMENT TECHNICAL ASSISTANCE COOPERATIVE AGREEMENT PROGRAM

(a) PROGRAM REVISIONS.—Sections 2411 through 2414 of title 10, United States Code, are amended to read as follows:

"§ 2411. Definitions

"In this chapter:

"(1) 'Eligible entity' means—

"(A) a State (as defined in section 6302(5) of title 31);

"(B) a local government (as defined in section 6302(2) of title 31); and

"(C) a private, nonprofit organization.

"(2) 'Distressed entity' means an eligible entity (within the meaning of paragraph (1)(B)) that—

"(A) has a per capita income of 80 percent or less of the State average; or

"(B) has an unemployment rate one percent greater than the national average for the most recent 24-month period for which statistics are available.

"(3) 'Secretary' means the Secretary of Defense acting through the Director of the Defense Logistics Agency.

"§ 2412. Purposes

"The purposes of the program authorized by this chapter are—

"(1) to increase assistance by the Department of Defense to eligible entities furnishing procurement technical assistance to business entities; and

"(2) to assist eligible entities in the payment of the costs of establishing and carrying out new procurement technical assistance programs and maintaining existing procurement technical assistance programs.

"§ 2413. Cooperative agreements

"(a) The Secretary, in accordance with the provisions of this chapter, may enter into cooperative agreements with eligible entities to carry out the purposes of this chapter.

"(b) Under any such cooperative agreement, the eligible entity shall agree to furnish procurement technical assistance to business entities and the Secretary shall agree to defray not more than one-half of the eligible entity's cost of furnishing such assistance, except that in the case of an eligible entity that is a distressed entity, the Secretary may agree to furnish more than one-half, but not more than three-fourths, of such cost.

"(c) In entering into cooperative agreements under subsection (a), the Secretary shall assure that at least one procurement technical

assistance program is carried out in each Department of Defense contract administration services region during each fiscal year.

"§ 2414. Limitation

"The value of the assistance furnished by the Secretary to any eligible entity to carry out a procurement technical assistance program under a cooperative agreement under this chapter during any fiscal year may not exceed $150,000.".

(b) FUNDING.—Section 2415 of such title is amended—

(1) in subsection (a)—

(A) by striking out "fiscal year 1985 is 50 percent and during fiscal year 1986" in paragraph (2) and inserting in lieu thereof "fiscal years 1986 and 1987"; and

(B) by adding at the end the following new paragraph:

"(3) This subsection shall apply only to the first $3,000,000 appropriated to carry out this chapter in each of fiscal years 1986 and 1987.";

(2) by striking out "fiscal year 1986" in subsection (b) and inserting in lieu thereof "fiscal year 1987"; and

(3) by adding at the end thereof the following new subsection:

"(c) For any amount appropriated to carry out this chapter for fiscal year 1986 or 1987 in excess of $3,000,000, the Secretary shall allocate funds available for assistance under this chapter equally to each Defense Contract Administration Services region. If in any such fiscal year there is an insufficient number of satisfactory proposals in a region for cooperative agreements to allow effective use of the funds allocated to that region, the funds remaining with respect to that region shall be reallocated among the remaining regions.".

(c) AUTHORIZATION OF APPROPRIATIONS.—(1) There are authorized to be appropriated $5,000,000 for fiscal year 1986 and $6,000,000 for fiscal year 1987 to be available for the purpose of furnishing assistance to carry out procurement technical assistance programs under cooperative agreements entered into under chapter 142 of title 10, United States Code.

(2) Amounts appropriated for fiscal years 1986 and 1987 for operation and maintenance for the Department of Defense are available to defray the expenses of administering the provisions of such chapter during each such fiscal year, including the expenses related to the employment of any additional personnel necessary to administer such provisions.

(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on October 1, 1985.

PART B—PROCUREMENT PERSONNEL MATTERS

SEC. 921. POST-GOVERNMENT-SERVICE EMPLOYMENT BARS ON SENIOR DEFENSE OFFICIALS

Whoever being a Presidential appointee in Federal employment acts as a primary government representative in the negotiation of a government contract or the settlement thereof with a defense contractor shall not within two years after the termination of said activities with such contractor accept employment from that contractor and upon a knowing violation of this provision the employee *shall be punished, upon conviction, with a prison term of up to one year and a fine of up to $5,000 and said defense contractor shall forfeit up to $50,000 in liquidated damages to the Federal Government which shall be provided for in the contract. The Secretary of Defense shall implement this provision by appropriate regulations.*

SEC. 922. IMPROVED REPORTING AND DISCLOSURE FOR FORMER EMPLOYEES OF THE DEPARTMENT OF DEFENSE; PREVENTION OF CONFLICTS OF INTEREST

(a) REPORTING AND DISCLOSURE BY FORMER EMPLOYEES.—Subsection (a)(1) of section 2397 of title 10, United States Code, is amended—

(1) by striking out "by negotiation"; and

(2) by striking out "$10,000" and inserting in lieu thereof "$25,000".

(b) PENALTIES.—Subsection (b)(2) of such section is amended to read as follows:

"(2)(A) If a person to whom this subsection applies (i) was employed by, or served as a consultant or otherwise to, a defense contractor at any time during a year at an annual pay rate of at least $25,000 and the defense contractor was awarded contracts by the Department of Defense during the preceding year that totaled at least $10,000,000, and (ii) within the 2-year period ending on the day before the person began the employment or consulting relationship, the person served on active duty or was a civilian employee for the Department, the person shall file a report with the Secretary of Defense in such manner and form as the Secretary may prescribe. The person shall file the report not later than 90 days after the date on which the person began the employment or consulting relationship.

"(B) The person shall file an additional report each time, during the 2-year period beginning on the date the active duty or civilian employment with the Department terminated, that the person's job with the defense contractor significantly changes or the person commences an employment or consulting relationship with another defense contractor under the conditions described in the first sentence. A person required to file an additional report under this subparagraph shall file the report within 30 days after the date of the change or the date the employment or consulting relationship commences, as the case may be.".

(c) REPORTS.—Subsection (b)(3) of such section is amended—

(1) by striking out clause (D) and inserting in lieu thereof the following:

"(D) A description of the duties and work performed or to be performed by the person for the defense contractor, and a description of any similar duties or work performed for which the person had at least partial responsibility as a civilian official or employee of the Department of Defense or a member of the armed forces during the 2-year period referred to in paragraph (2)(A)(ii).";

(2) in clause (F)—

(A) by striking out "brief"; and

(B) by striking out "3-year period before that duty or service ended" and inserting in lieu thereof "2-year period referred to in paragraph (2)(A)(ii) and a description of the

type of work performed and the extent to which such work was performed by the person for the defense contractor that has employed the person or has retained the person as a consultant"; and

(3) by adding at the end thereof the following new clause:

"(I) A statement describing any disqualification action taken by the person during the 2-year period referred to in paragraph (2)(A)(ii) with respect to any involvement in a matter concerning the defense contractor.".

(d) FORMER CONTRACTOR EMPLOYEES.—(1) Subsection (c)(1) of such section is amended—

(A) by striking out "fiscal" each place it appears; and

(B) in clause (B)—

(i) by striking out "3-year" and inserting in lieu thereof "2-year"; and

(ii) by striking out "$15,000" and inserting in lieu thereof "$25,000".

(2) Subsection (c)(2) of such section is amended—

(A) by striking out clause (C) and inserting in lieu thereof the following:

"(C) A description of the duties and work performed by the person with the Department and a description of any similar duties or work for which the person had at least partial responsibility as an employee or consultant of the defense contractor during the 2-year period referred to in paragraph (1)(B)."; and

(B) by striking out clause (F) and inserting in lieu thereof the following:

"(F) A description of the duties and work performed by the person for the defense contractor and a description of the type of work and the extent to which such work was performed by the person in connection with contracts of the defense contractor with the Department during the 2-year period referred to in paragraph (1)(B).".

(e) REPORTS NOT TO BE ON FISCAL YEAR BASIS.—Subsection (e) of such section is amended by striking out "fiscal".

(f) ADMINISTRATIVE PENALTY.—Subsection (f) of section 2397 of such title is amended to read as follows:

"(f)(1) A person who fails to comply with the filing requirements of this section shall be liable to the United States for an administrative penalty in the amount of $10,000, or in such lesser amount as may be determined by the Secretary of Defense, considering all the relevant circumstances.

"(2) The Secretary shall determine whether a person has failed to file a report required by this section and shall determine the amount of the penalty under paragraph (1). The Secretary shall make the determinations on the record after opportunity for an agency hearing as provided in subchapter II of chapter 5 of title 5, United States Code. The determinations of the Secretary shall be subject to judicial review under chapter 7 of such title.".

SEC. 923. REQUIREMENTS RELATING TO PRIVATE EMPLOYMENT CONTACTS BETWEEN CERTAIN DEPARTMENT OF DEFENSE PROCUREMENT OFFICIALS AND DEFENSE CONTRACTORS

(a) IN GENERAL.—(1) Chapter 141 of title 10, United States Code, is amended by inserting after section 2397 the following new section:

"§ 2397a. Requirements relating to private employment contacts between certain Department of Defense procurement officials and defense contractors

"(a) In this section:

"(1) 'Contract' has the same meaning as provided in section 2397(a)(1) of this title.

"(2) 'Covered defense official' means any individual who is serving—

"(A) as a civilian officer or employee of the Department of Defense in a position for which the rate of pay is equal to or greater than the minimum rate of pay payable for grade GS-11 under the General Schedule; or

"(B) on active duty in the armed forces in a pay grade of O-4 or higher.

"(3) 'Defense contractor' has the same meaning as provided in section 2397(a)(2) of this title.

"(4) 'Designated agency ethics official' has the same meaning as the term 'designated agency official' in section 209(10) of the Ethics in Government Act of 1978 (92 Stat. 1850; 5 U.S.C. App.).

"(5) 'Employment' means a relationship under which an individual furnishes services in return for any payment or other compensation paid directly or indirectly to the individual for the services.

"(6) 'Procurement function' includes, with respect to a contract, any function relating to—

"(A) the negotiation, award, administration, or approval of the contract;

"(B) the selection of a contractor;

"(C) the approval of changes in the contract;

"(D) quality assurance, operation and developmental testing, the approval of payment, or auditing under the contract; or

"(E) the management of the procurement program.

"(b)(1) If a covered defense official who has participated in the performance of a procurement function in connection with a contract awarded by the Department of Defense contacts, or is contacted by, the defense contractor to whom the contract was awarded (or an agent of such contractor) regarding future employment opportunities for the official with the defense contractor, the official (except as provided in paragraph (2)) shall—

"(A) promptly report the contact to the official's supervisor and to the designated agency ethics official (or his designee) of the agency in which the covered defense official is employed; and

"(B) for any period for which future employment opportunities for the covered defense official have not been rejected by either the covered defense official or the defense contractor, disqualify himself from all participation in the performance of procurement functions relating to contracts of the defense contractor.

"(2) A covered defense official is not required to report the first contact with a defense contractor under paragraph (1)(A) or to disqualify himself under paragraph (1)(B) if the defense official termi-

nates the contact immediately. However, if an additional contact of the same or a similar nature is made by or with the defense contractor, the covered defense official shall report (as provided in paragraph (1)) the contact and all contacts of the same or a similar nature made by or with the defense contractor during the 90-day period ending on the date the additional contact is made.

"(c) A report required by subsection (b)(1) shall include—

"(1) the date of each contact covered by the report; and

"(2) a brief description of the substance of the contact.

"(d)(1)(A) If the Secretary of Defense determines under paragraph (2) that a person has failed promptly to make a report required by subsection (b)(1)(A) or (b)(2) or has failed to disqualify himself in any case in which he is required to do so under subsection (b)(1)(B)—

"(i) the person may not accept or continue employment with the defense contractor during the 10-year period beginning with the date of separation from Government service; and

"(ii) the Secretary may impose on the person an administrative penalty in the amount of $10,000, or in such lesser amount as may be prescribed by the Secretary, taking into consideration all the circumstances.

"(B) An individual who accepts or continues employment prohibited by subparagraph (A)(i) shall be liable to the United States for an administrative penalty as provided in subparagraph (A)(ii). Such penalty may be in addition to any penalty previously imposed on the individual under subparagraph (A)(ii) for failure promptly to make a report relating to the defense contractor by whom the individual is employed as required by subsection (b)(1)(A) or (b)(2).

"(C) The Secretary of Defense may take action against an individual under this paragraph before, on, or after the date on which the individual's employment with the Government is terminated.

"(2)(A) The Secretary of Defense shall determine—

"(i) whether an individual has failed promptly to make a report required by subsection (b)(1)(A) or (b)(2) or has failed to disqualify himself in any case in which he is required to do so under subsection (b)(1)(B) and whether to impose a penalty under paragraph (1)(A)(ii) and the amount of such penalty; and

"(ii) whether an individual is liable to the United States for an administrative penalty under paragraph (1)(B) and the amount of such penalty.

There shall be a rebuttable presumption in favor of a covered defense official that failure to report a contact with a defense contractor or failure to disqualify himself from participation in the performance of certain procurement functions is not a violation of subsection (b)(1)(A) or (b)(2) or subsection (b)(1)(B), as the case may be, if the defense official has received an opinion in writing from the designated agency ethics official under subsection (e) stating that a report or disqualification by the official was not necessary.

"(B) Determinations of the Secretary under subparagraph (A) shall be made on the record after opportunity for an agency hearing as provided in subchapter II of chapter 5 of title 5. The determinations of the Secretary shall be subject to judicial review under chapter 7 of such title.

"(e) If a designated agency ethics official or his designee receives a report required by subsection (b) or a request for advice from a covered defense official relating to a contact described in such subsection, the designated agency ethics official or his designee may issue a written opinion regarding the necessity of a covered defense official to file a report or disqualify himself from participation in certain procurement functions, as the case may be.

"(f) A covered defense official should request the advice of his supervisor and the appropriate designated agency ethics official (or his designee) on matters to which this section applies.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2397 the following new item:

"2397a. Requirements relating to private employment contacts between certain Department of Defense procurement officials and defense contractors.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect with respect to contacts (referred to in section 2397a of title 10, United States Code, as added by subsection (a) of this section) made on or after the date of enactment of this Act.

SEC. 924. MANAGEMENT OF DEPARTMENT OF DEFENSE PROCUREMENT PERSONNEL

(a) REQUIREMENTS FOR EDUCATION, TRAINING, AND EXPERIENCE.—(1) Part II of subtitle A of title 10, United States Code, is amended by adding at the end thereof the following new chapter:

"CHAPTER 85—PROCUREMENT MANAGEMENT PERSONNEL

"Sec.
"1621. Definitions.
"1622. Education, training, and experience requirements: program managers.
"1623. Education, training, and experience requirements: general and flag officers.
"1624. Training program: quality assurance personnel.

"§ 1621. Definitions

"In this chapter:

"(1) 'Program manager' means an officer or employee of the Department of Defense or member of the Armed Forces assigned by the Secretary of a military department to have overall responsibility for acquisitions under a major defense acquisition program.

"(2) 'Procurement command' means the Army Materiel Command, the systems commands of the Navy, the Air Force Systems Command, or Air Force Logistics Command (or any successor organization of any such command).

"(3) 'Major defense acquisition program' has the meaning given that term in section 139a(a)(1) of this title.

"§1622. Education, training, and experience requirements: program managers

"(a) The Secretary of each military department shall prescribe regulations establishing requirements for the education, training, and experience of any person assigned to duty as the program manager of a major defense acquisition program. Such regulations shall be subject to the approval of the Secretary of Defense.

"(b) Regulations under subsection (a) shall require that, before being assigned to duty as a program manager, a person—

"(1) must have attended the program management course at the Defense Systems Management College or a comparable program management course at another institution; and

"(2) must have at least eight years experience in the acquisition, support, and maintenance of weapon systems, at least two of which were performed while assigned to a procurement command.

"(c) A period of time spent pursuing a program of postgraduate education in a technical or management field or attending the course referred to in subsection (b)(1) may be counted toward the eight-year requirement prescribed in subsection (b)(2).

"(d) In assigning any person to duty as a program manager, the Secretary concerned may waive the requirements of subsection (b) in individual cases. The authority to waive such requirements may not be delegated.

"§1623. Education, training, and experience: flag and general officers

"(a) The Secretary of each military department shall prescribe regulations establishing requirements for the education, training, and experience of general or flag officers assigned to duty in a procurement command. Such regulations shall be subject to the approval of the Secretary of Defense.

"(b) Regulations prescribed under subsection (a) shall require that in order for an officer of a military department to serve in a flag or general officer grade while assigned to duty in a procurement command, the officer must meet the education and experience requirements for program managers prescribed in section 1622(b) of this title.

"(c) The Secretary concerned may waive the requirements for assignment to duty described in subsection (a). The authority to waive such requirements may not be delegated.

"§ 1624. Training program: quality assurance personnel

"The Secretary of Defense shall develop a training program for all personnel of the Department of Defense who are responsible for assuring quality in contractor facilities. The program shall be at least four weeks in duration. A person assigned to perform quality assurance duties in the Department of Defense shall, to the maximum extent practicable, attend such program during the first six months of the assignment to such duties.".

(2) The tables of chapters at the beginning of subtitle A of title 10, United States Code, and at the beginning of part II of such subtitle are each amended by inserting after the item relating to chapter 83 the following new item:

"85. Procurement Management Personnel........1621".

(b) EFFECTIVE DATES.—(1) Section 1623 of title 10, United States Code (as added by subsection (a)), shall take effect on July 1, 1990.

(2) Section 1624 of title 10, United States Code (as added by subsection (a)), shall take effect on January 1, 1987.

(3) The regulations prescribed under subsection (a) of section 1622 of title 10, United States Code (as added by subsection (a)), shall provide that—

(A) the requirement described in subsection (b)(1) of such section shall take effect on July 1, 1987; and

(B) the requirement described in subsection (b)(2) of such section shall take effect on July 1, 1989.

SEC. 925. ASSIGNMENT OF PRINCIPAL CONTRACTING OFFICERS

(a) DEVELOPMENTAL POLICY.—The Secretary of Defense shall develop a policy regarding the mobility and regular rotation of principal administrative and corporate administrative contracting officers in the Department of Defense.

(b) REPORT.—The Secretary shall submit to the Committees on Armed Services of the Senate and House of Representatives not later than January 1, 1986, a report on such policy.

(c) IMPLEMENTATION.—Such policy shall be implemented not later than April 1, 1986.

PART C—FALSE CLAIMS, DEBARMENT, BURDEN OF PROOF, AND RELATED MATTERS

SEC. 931. INCREASED PENALTIES FOR FALSE CLAIMS IN DEFENSE PROCUREMENT

(a) CRIMINAL FINES.—Notwithstanding sections 287 and 3623 of title 18, United States Code, the maximum fine that may be imposed under such section for making or presenting any claim upon or against the United States related to a contract with the Department of Defense, knowing such claim to be false, fictitious, or fraudulent, is $1,000,000.

(b) CIVIL PENALTIES.—Notwithstanding section 3729 of title 31, United States Code, the amount of the liability under that section in the case of a person who makes a false claim related to a contract with the Department of Defense shall be a civil penalty of $2,000, an amount equal to three times the amount of the damages the Government sustains because of the act of the person, and costs of the civil action.

(c) EFFECTIVE DATE.—Subsections (a) and (b) shall be applicable to claims made or presented on or after the date of the enactment of this Act.

SEC. 932. PROHIBITION ON FELONS CONVICTED OF DEFENSE-CONTRACT-RELATED FELONIES AND PENALTY ON EMPLOYMENT OF SUCH PERSONS BY DEFENSE CONTRACTORS

(a) PROHIBITION.—A person who is convicted of fraud or any other felony arising out of a contract with the Department of Defense shall be prohibited from working in a management or supervisory capacity on any defense contract for a period, as determined by the Secretary of Defense, of not less than one year from the date of the conviction.

(b) PENALTY.—A defense contractor who knowingly employs a person under a prohibition under subsection (a) shall be fined not more than $500,000.

(c) EFFECTIVE DATE.—Subsection (a) shall apply only with respect to crimes committed after the date of the enactment of this Act.

SEC. 933. BURDEN OF PROOF IN GOVERNMENT CONTRACT DISPUTE RESOLUTION

In a proceeding before the Armed Services Board of Contract Appeals, the United States Claims Court, or any other Federal court in which the reasonableness of indirect costs for which a contractor seeks reimbursement from the Department of Defense is in issue, the burden of proof shall be upon the contractor to establish that such costs are reasonable.

SEC. 934. REIMBURSEMENT, INTEREST CHARGES, AND PENALTIES FOR OVERPAYMENTS

(a) COST AND PRICING DATA.—If the United States makes an overpayment to a contractor under a contract with the Department of Defense subject to 2306(f) of title 10, United States Code, and the overpayment was due to the submission by the contractor of inaccurate, incomplete, or noncurrent cost and pricing data, the contractor shall be liable to the United States—

(1) for interest on the amount of such overpayment to be computed from the date the payment was made to the contractor to the date the Government is repaid by the contractor at the applicable rate prescribed by the Secretary of the Treasury pursuant to Public Law 92-41 (85 Stat. 97); and

(2) if the submission of such inaccurate, incomplete, or noncurrent cost and pricing data was a knowing submission, an amount equal to the amount of the overpayment.

(b) DEFENSE PRODUCTION ACT AMENDMENT.—Section 719 of the Defense Production Act of 1950 (50 U.S.C. App. 2168) is amended by striking out the third sentence in subsection (h)(1) and inserting in lieu thereof the following: "Such interest shall be set at a rate established by the Secretary of the Treasury pursuant to Public Law 92-41. Such interest shall accrue from the time such payments were made to the contractor or subcontractor to the time such price adjustment is effected.".

(c) EFFECTIVE DATE.—This section shall apply only to contracts entered into on or after the date of the enactment of this Act.

SEC. 935. SUBPOENAS OF DEFENSE CONTRACTOR RECORDS

Section 2313 of title 10, United States Code, is amended by adding at the end thereof the following new subsection:

"(d)(1) The Director of the Defense Contract Audit Agency (or any successor agency) may require by subpoena the production of books, documents, papers, or records of a contractor, access to which is provided to the Secretary of Defense by subsection (a) or by section 2306(f) of this title.

"(2) Any such subpoena, in the case of contumacy or refusal to obey, shall be enforceable by order of an appropriate United States district court.

"(3) The authority provided by paragraph (1) may not be redelegated.

"(4) The Director (or any successor official) shall submit an annual report to the Secretary of Defense on the exercise of such authority during the preceding year and the reasons why such authority was exercised in any instance. The Secretary shall forward a copy of each such report to the Committees on Armed Services of the Senate and House of Representatives.".

PART D—REPORTS

SEC. 951. REPORT ON PROHIBITION ON INCLUDING GENERAL AND ADMINISTRATIVE OVERHEAD EXPENSES IN THE COMPUTATION OF CONTRACTOR PROFITS

(a) REPORT.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report in writing of his views regarding the desirability and advisability of legislation or regulations that would prohibit, in the case of a contract awarded by the Department of Defense using procedures other than competitive procedures (as defined in section 2304(c) of title 10, United States Code), the inclusion of any actual or imputed general and administrative expenses of the contractor in the total cost to which a percentage is applied in order to calculate anticipated profit to be earned by the contractor.

(b) DESIRABILITY OF WAIVER AUTHORITY.—If the Secretary states in the report that the Secretary favors such a prohibition, the Secretary shall indicate in the report the desirability and advisability of including in any legislation or regulation imposing such a prohibition the authority for the Secretary to waive the prohibition in particular cases if necessary to avoid inequitable economic hardship or if necessary for other expressly stated reasons.

(c) DEADLINE FOR REPORT.—The report shall be submitted not later than 60 days after the date of the enactment of this Act.

SEC. 952. REPORT ON USE OF INDEPENDENT COST ESTIMATES FOR MAJOR DEFENSE ACQUISITION PROGRAMS

(a) REQUIREMENT FOR REPORT.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the continued use of independent cost estimates in the planning, programing, budgeting, and selection process for major defense acquisition programs of the Department of Defense.

(b) MATTERS TO BE INCLUDED.—The report shall be a follow-on to the report required by section 1203(c) of the Department of Defense Authorization Act, 1984 (Public Law 98-94; 10 U.S.C. 1039 note), and shall include—

(1) an overall assessment of the extent to which such estimates were adopted by the Department of Defense in making decisions on the fiscal year 1987 budget and a general explanation of why such estimates might have been modified or rejected; and

(2) a statement as to whether adequate personnel and financial resources have been allocated at all levels of the Department of Defense to those organizations or offices charged with developing or assessing independent estimates of the costs of major defense acquisition programs.

(c) DEADLINE.—The report shall be submitted not later than April 1, 1986.

SEC. 953. GAO STUDY OF FEASIBILITY OF CIVILIAN DEFENSE ACQUISITION AGENCY

(a) STUDY.—The Comptroller General shall carry out a study to review all available evidence, studies, reports, and analyses concerning the organizational structure for defense procurement.

(b) REPORT.—(1) After conducting such study, the Comptroller General shall submit to Congress a report concerning the advantages and disadvantages of the establishment of an agency either within or outside the Department of Defense with the mission of coordinating, supervising, directing, and performing all procurement functions for the Department of Defense.

(2) The report required by paragraph (1) shall be submitted not later than one year after the date of the enactment of this Act.

SEC. 954. REPORT ON SUSPENSION AND DEBARMENT OF DEFENSE CONTRACTORS

(a) REQUIRED REPORT.—The Secretary of Defense shall submit to Congress a report on the policies prescribed and actions taken by the Secretary to implement the recommendations contained in the report of the Inspector General of the Department of Defense entitled "Review of Suspension and Debarment Activities Within the Department of Defense", dated May 1984.

(b) COOPERATION WITH THE OFFICE OF INSPECTOR GENERAL.—The report under subsection (a) shall be prepared in cooperation with the Office of the Inspector General of the Department of Defense.

(c) DEADLINE FOR REPORT.—The report shall be submitted not later than 180 days after the date of the enactment of this Act.

SEC. 955. REPORT ON THE USE OF COMPETITION UNDER SECTION 8(a) SET-ASIDE PROGRAM

(a) REQUIREMENT FOR REPORT.—The Secretary of Defense and the Administrator of the Small Business Administration shall each submit to the Committees on Armed Services and on Small Business of the Senate and House of Representatives a report on the feasibility of providing for the use of competitive procedures for contracts awarded by the Department of Defense under the set-aside program of the Small Business Administration under section 8(a) of the Small Business Act.

(b) DEADLINE FOR REPORTS.—The reports required by subsection (a) shall be submitted not later than 180 days after the date of the enactment of this Act.

SEC. 956. REPORT ON EFFORTS TO INCREASE DEFENSE CONTRACT AWARDS TO INDIAN-OWNED BUSINESSES

(a) REPORT REQUIREMENT.—The Secretary of Defense shall submit to Congress a report on the efforts by the Department of Defense during fiscal years 1984 and 1985 to increase contract awards to Indian-owned businesses in accordance with the memorandum of understanding between the Department of Defense and the Small Business Administration of September 29, 1983. Such report shall include, to the maximum extent practicable, any data regarding the number and value of prime contracts awarded by the Department during such fiscal years to such businesses.

(b) DEADLINE FOR REPORT.—Such report shall be submitted by March 31, 1986.

(c) DEFINITION.—For the purposes of this section, the term "Indian-owned business' means a business firm owned and controlled by American Indians, including a tribally owned for-profit entity.

PART E—TECHNICAL AMENDMENTS TO FEDERAL PROCUREMENT LAW

SEC. 961. TECHNICAL CORRECTIONS TO FEDERAL PROCUREMENT LAW

(a) SIMPLIFICATION OF PROCEDURES FOR CERTAIN NONCOMPETITIVE PURCHASES.—(1) The second sentence of section 2304(f)(2) of title 10, United States Code, is amended to read as follows: "The justification and approval required by paragraph (1) is not required—

"(A) when a statute expressly requires that the procurement be made from a specified source;

"(B) when the agency's need is for a brand-name commercial item for authorized resale;

"(C) in the case of a procurement permitted by subsection (c)(7); or

"(D) in the case of a procurement conducted under (i) the Act of June 25, 1938 (41 U.S.C. 46 et seq.), popularly referred to as the Wagner-O'Day Act, or (ii) section 8(a) of the Small Business Act (15 U.S.C. 637(a).".

(2) The second sentence of section 303(f)(2) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(f)(2)) is amended to read as follows: "The justification and approval required by paragraph (1) is not required—

"(A) when a statute expressly requires that the procurement be made from a specified source;

"(B) when the agency's need is for a brand-name commercial item for authorized resale;

"(C) in the case of a procurement permitted by subsection (c)(7); or

"(D) in the case of a procurement conducted under (i) the Act of June 25, 1938 (41 U.S.C. 46 et seq.), popularly referred to as the Wagner-O'Day Act, or (ii) section 8(a) of the Small Business Act (15 U.S.C. 637(a).".

(b) NATO MUTUAL SUPPORT PROCUREMENT.—Section 2323(b) of chapter 138 of title 10, United States Code, is amended by striking out "section 2304(g)" and inserting in lieu thereof "section 2304(a)".

(c) ADP PROCUREMENT.—Section 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759) is amended by adding at the end thereof the following new subsection:

"(i) The justifications and approvals required by section 303(f)(1) of this Act shall apply in the case of any procurement under this section for which the minimum needs are so restrictive that only one manufacturer is capable of satisfying such needs. Such procurement includes either a sole source procurement or a procurement by specific make and model. Such justification and approval shall be required notwithstanding that more than one bid or offer is made or that the procurement obtains price competition and such procurement shall be treated as a procurement using procedures other than competitive procedures for purposes of section 19(b) of the Office of Federal Procurement Policy Act (41 U.S.C. 417(b)).".

(d) CLARIFICATION OF REGULATIONS CONCERNING TECHNICAL DATA.—(1) Section 2320(a)(1) of title 10, United States Code, is amended by striking out "the technical data" and inserting in lieu thereof "the item or process to which the technical data pertains".

(2) Section 21(c)(1) of the Office of Federal Procurement Policy Act (41 U.S.C. 418a(c)(1)) is amended by striking out "the technical data" and inserting in lieu thereof "the item or process to which the technical data pertains".

(3) The second sentence of section 301(c) of the Small Business and Federal Procurement Competition Enhancement Act of 1984 (41 U.S.C. 418a note) is amended by striking out "July 1, 1985" and inserting in lieu thereof "October 19, 1985".

(e) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) shall take effect as if included in the enactment of the Competition in Contracting Act of 1984 (title VII of division B of Public Law 98-369).

TITLE X—MATTERS RELATING TO ARMS CONTROL

SEC. 1001. POLICY ON COMPLIANCE WITH EXISTING STRATEGIC OFFENSIVE ARMS AGREEMENTS

(a) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the United States should vigorously pursue with the Soviet Union the resolution of concerns of the United States over Soviet compliance with existing strategic arms control agreements and should seek corrective actions through confidential diplomatic channels, including, if appropriate, the Standing Consultative Commission and the Nuclear and Space Arms negotiations;

(2) the Soviet Union should take positive steps to resolve the compliance concerns of the United States about existing strategic offensive arms agreements in order to maintain the integrity of those agreements and to strengthen the positive environment necessary for the successful negotiation of a new strategic offensive arms agreement;

(3) the United States should continue, through December 31, 1986, to refrain from undercutting the provisions of existing strategic offensive arms agreements—

(A)(i) to the extent that the Soviet Union refrains from undercutting those provisions; and

(ii) if the Soviet Union actively pursues arms reduction agreements in the Nuclear and Space Arms negotiations; or

(B) until a new strategic offensive arms agreement between the United States and the Soviet Union is concluded;

(4) the President—

(A) should carefully consider the impact of any change in the current policy of the United States regarding existing strategic offensive arms agreements on the long-term security interests of the United States and its allies; and

(B) should consult with Congress before making any change in that policy; and

(5) any decision by the President to continue the existing United States no-undercut policy beyond December 31, 1986, should be a matter for consultation between the President and Congress and for subsequent review and debate by Congress.

(b) REQUIREMENT FOR REPORT.—Not later than February 1, 1986, the President shall submit to Congress a report containing the following:

(1) A range of projections and comparisons, on a year-by-year basis, of United States and Soviet strategic weapons dismantlements that would be required over the next five years if the United States and the Soviet Union were to adhere to a policy of not undercutting existing strategic arms control agreements.

(2) A range of projections and comparisons, on a year-by-year basis, of likely United States and Soviet strategic offensive force inventories over the next five years assuming a termination at the end of 1985 in the current no-undercut policy.

(3) An assessment of the possible Soviet political, military, and negotiating responses to the termination of the United States no-undercut policy.

(4) Recommendations regarding the future of United States interim restraint policy.

(c) PROPOSAL OF MEASURES.—If the President finds and reports to Congress that—

(1) the Soviet Union has violated the provisions of any strategic arms agreement; and

(2) such violations impair or threaten the security of the United States,

the President may propose to Congress such measures as he considers necessary to protect the security of the United States.

(d) SCOPE OF POLICY.—Nothing in this section shall be construed—

(1) to restrain or inhibit the constitutional powers of the President;

(2) to endorse unilateral United States compliance with existing strategic arms agreements;

(3) as prohibiting the United States from carrying out proportionate responses to Soviet undercutting of strategic arms provisions;

(4) as prohibiting or delaying the development, flight testing, or deployment of the small intercontinental ballistic missile (SICM) as authorized by law; or

(5) as establishing a precedent to continue the no-undercut policy beyond December 31, 1986.

SEC. 1002. ANNUAL REPORT ON SOVIET COMPLIANCE WITH ARMS CONTROL COMMITMENTS

Not later than December 1, 1985, and not later than December 1 of each following year, the President shall submit to the Congress a report (in both classified and unclassified versions) containing, with respect to the compliance of the Soviet Union with its arms control commitments, the findings of the President and any additional information necessary to keep the Congress currently informed.

SEC. 1003. STUDY OF ARMS CONTROL VERIFICATION CAPABILITIES

(a) INTERAGENCY STUDY.—The President shall provide for an interagency study with the purpose of determining possible avenues for cooperation between the United States and the Soviet Union in the development of capabilities not subject to national security restrictions for verification of compliance with arms control agreements. Areas of possible cooperation to be examined shall include—

(1) limited exchanges of data and scientific personnel; and

(2) the conduct of a joint technological effort in the area of seismic monitoring.

(b) Agencies Included.—The President shall provide for participation in the interagency study under subsection (a) by—

(1) the Secretary of State;

(2) the Secretary of Defense;

(3) the Secretary of Energy;

(4) the Director of the Arms Control and Disarmament Agency;

(5) the heads of appropriate intelligence agencies;

(6) the Joint Chiefs of Staff; and

(7) such other officers as the President may designate.

(c) Report.—(1) The President shall submit to Congress a report on the results of the interagency study.

(2) The report shall be submitted in both a classified and unclassified version.

(3) The report shall be submitted not later than May 1, 1986.

SEC. 1004. SENSE OF CONGRESS RELATING TO UNITED STATES-SOVIET NEGOTIATIONS ON REDUCTION IN NUCLEAR ARMS

It is the sense of the Congress—

(1) that the President of the United States and the General Secretary of the Communist Party of the Union of Soviet Socialist Republics should be commended for their willingness to meet to discuss major issues in United States-Soviet relations; and

(2) that following thorough preparation, such meetings should be used to work for the realization of mutual, equitable, and verifiable reductions in nuclear arms.

SEC. 1005. PILOT PROGRAM FOR EXCHANGE OF CERTAIN HIGH-RANKING MILITARY AND CIVILIAN PERSONNEL WITH THE SOVIET UNION

(a) Submission of Plan.—The Secretary of Defense shall submit to the appropriate committees of Congress a plan for the establishment and operation during fiscal year 1986 of a pilot program for the exchange of visits between—

(1) high-ranking officers of the Armed Forces of the United States and high-ranking civilian officials of the Department of Defense; and

(2) corresponding high-ranking officers and officials of the Soviet Union.

(b) Requirements of Plan.—Such plan shall include—

(1) specific identification of the United States officers and officials selected for participation in the program;

(2) the proposed length of the exchange visits with the Soviet Union;

(3) a description of the specific goals of each exchange visit;

(4) an estimate of the cost to the United States of participation in each visit;

(5) a description of any special actions that will be taken to protect classified information of the United States during any visit to the United States by officers or officials of the Soviet Union who are participating in the program; and

(6) any other details of the program that the Secretary considers appropriate.

(c) AVAILABILITY OF FUNDS.—Of the funds appropriated pursuant to section 301(a), the sum of $100,000 shall be available only for costs required for participation by the United States in the pilot program described in subsection (a), including costs for travel, subsistence, and other support expenses.

(d) DEADLINE FOR PLAN.—The Secretary shall submit the plan required by subsection (a) not later than December 1, 1985.

SEC. 1006. REPORT ON NUCLEAR WINTER FINDINGS AND POLICY IMPLICATIONS

(a) CONTINUED PARTICIPATION IN INTERAGENCY STUDIES.—Notwithstanding any limitation in any other provision of this Act, the Secretary of Defense, in accordance with section 1107(a) of the Department of Defense Authorization Act, 1985 (Public Law 98-525), shall participate in any comprehensive interagency study conducted on the atmospheric, climatic, environmental, and biological consequences of nuclear war and the implications that such consequences have for the nuclear weapons strategy and policy, the arms control policy, and the civil defense policy of the United States.

(b) REPORT ON NUCLEAR WINTER FINDINGS.—Not later than March 1, 1986, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives an unclassified report suitable for release to the public, together with classified addenda (if required), concerning the subject described in subsection (a). The Secretary shall include in such report the following:

(1) A detailed review and assessment of the findings in the current body of domestic and international scientific literature on the atmospheric, climatic, environmental, and biological consequences of nuclear explosions and nuclear exchanges.

(2) A thorough evaluation of the implications that such findings have on—

(A) the nuclear weapons policy of the United States, especially with regard to strategy, targeting, planning, command, control, procurement, and deployment;

(B) the nuclear arms control policy of the United States; and

(C) the civil defense policy of the United States.

(3) A discussion of the manner in which the results of such evaluation of policy implications will be incorporated into the nuclear weapons, arms control, and civil defense policies of the United States.

(4) An analysis of the extent to which current scientific findings on the consequences of nuclear explosions are being studied, disseminated, and used in the Soviet Union.

TITLE XI—MATTERS RELATING TO NATO

SEC. 1101. LIMITED AUTHORITY TO EXCEED PERMANENT CEILING ON UNITED STATES FORCES ASSIGNED TO NATO

Section 1002(c)(1) of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2575), is amended by adding at the end thereof the following new sentence: "The Secretary of De-

fense may exceed such permanent ceiling in any year by a number equal to not more than ½ of 1 percent for the purpose of achieving sound management in the rotation of members of the Armed Forces of the United States to and from assignment to permanent duty ashore in European member nations of NATO, but only if the Secretary determines that the increase in such year is necessary for such purpose.

SEC. 1102. NORTH ATLANTIC TREATY ORGANIZATION COOPERATIVE PROJECTS

(a) REVISION OF AUTHORITY.—(1) Section 27 of the Arms Export Control Act (22 U.S.C. 2767) is amended to read as follows:

"SEC. 27. NORTH ATLANTIC TREATY ORGANIZATION COOPERATIVE PROJECTS

"(a) The President may enter into a cooperative project agreement with the North Atlantic Treaty Organization (NATO) or with one or more member countries of that organization.

"(b) As used in this section—

"(1) the term 'cooperative project' means a jointly managed arrangement, described in a written agreement among the parties, which is undertaken in order to further the objectives of standardization, rationalization, and interoperability of the armed forces of North Atlantic Treaty Organization member countries and which provides—

"(A) for one or more of the other participants to share with the United States the costs of research on and development, testing, evaluation, or joint production (including follow-on support) of certain defense articles;

"(B) for concurrent production in the United States and in another member country of a defense article jointly developed in accordance with clause (A); or

"(C) for procurement by the United States of a defense article or defense service from another member country; and

"(2) the term 'other participant' means a participant in a cooperative project other than the United States.

"(c) Each agreement for a cooperative project shall provide that the United States and each of the other participants will contribute to the cooperative project its equitable share of the full cost of the cooperative project and will receive an equitable share of the results of the cooperative project. The full costs of such cooperative project shall include overhead and administrative costs. The United States and the other participants may contribute their equitable shares of the full cost of such cooperative project in funds or in defense articles or defense services needed for the project. Military assistance and financing received from the United States Government may not be used by any other participant to provide its share of the cost of such cooperative project. Such agreements shall provide that no requirement shall be imposed by a participant for worksharing or other industrial or commercial compensation in connection with such agreement that is not in accordance with such agreement.

"(d) The President may enter into contracts or incur other obligations for a cooperative project on behalf of the other participants, without charge to any appropriation or contract authorization, if

each of the other participants in the cooperative project agrees (1) to pay its equitable share of the contract or other obligations, and (2) to make such funds available in such amounts and at such times as may be required by the contract or such other obligations and to pay any damages and costs that may accrue from the performance of or cancellation of such contract or other obligations in advance of the time such payments, damages, or costs are due.

"(e) With the approval of the Secretary of State and the Secretary of Defense, a cooperative agreement entered into by the United States before the date of the enactment of the Department of Defense Authorization Act, 1986, that otherwise meets the requirements of this section may be treated on and after such date as having been made under this section.

"(f)(1) For those cooperative projects entered into on or after the date of the enactment of the Department of Defense Authorization Act, 1986, the President may reduce or waive the charge or charges which would otherwise be considered appropriate under section 21(e) of this Act in connection with sales under sections 21 and 22 of this Act when such sales are made as part of the cooperative project. However, the President may reduce or waive such charge or charges only if the other participants agree to reduce or waive corresponding charges.

"(2) Notwithstanding section 21(e)(1)(A) and section 43(b) of this Act, administrative surcharges shall not be increased on other sales made under this Act in order to compensate for reductions or waivers of such surcharges under this section. Funds received pursuant to such other sales shall not be available to reimburse the costs incurred by the United States Government for which reduction or waiver is approved by the President under this section.

"(g) Not less than 15 days before a cooperative project agreement is signed on behalf of the United States, the President shall transmit to the Speaker of the House of Representatives, the chairman of the Committee on Foreign Relations of the Senate, and the chairman of the Committee on Armed Services of the Senate a numbered certification with respect to such proposed agreement, setting forth—

"(A) a detailed description of the cooperative project with respect to which the certification is made;

"(B) an estimate of the quantity of the defense articles expected to be produced in furtherance of such cooperative project;

"(C) an estimate of the full cost of the cooperative project, with an estimate of that part of the full cost to be incurred by the United States Government for its participation in such cooperative project and an estimate of that part of the full costs to be incurred by the other participants;

"(D) an estimate of the dollar value of the funds to be contributed by the United States and each of the other participants on behalf of such cooperative project;

"(E) a description of the defense articles and defense services expected to be contributed by the United States and each of the other participants on behalf of such cooperative project;

"(F) a statement of the foreign policy and national security benefits anticipated to be derived from such cooperative project; and

"(G) to the extent known, whether it is likely that prime contracts will be awarded to particular prime contractors or subcontracts will be awarded to particular subcontractors to comply with the proposed agreement.

"(h) Section 36(b) of this Act shall not apply to sales made under section 21 or 22 of this Act and to production and exports made pursuant to cooperative projects under this section, and section 36(c) of this Act shall not apply to the issuance of licenses or other approvals under section 38 of this Act, if such sales are made, such production and exports ensue, or such licenses or approvals are issued as part of a cooperative project.

"(i) The authority under this section is in addition to the authority under sections 21 and 22 of this Act and under any other provision of law.

"(j) Notwithstanding the amendments made to this section by the Department of Defense Authorization Act, 1986, projects entered into under this section before the date of such amendments may be carried through to conclusion in accordance with the terms of this section as in effect immediately before the effective date of amendments.".

(2) Section 2(b) of such Act (22 U.S.C. 2752(b)) is amended to read as follows:

"(b) Under the direction of the President, the Secretary of State (taking into account other United States activities abroad, such as military assistance, economic assistance, and food for peace program) shall be responsible for the continuous supervision and general direction of sales, leases, financing, cooperative projects, and exports under this Act, including, but not limited to, determining—

"(1) whether there will be a sale to or financing for a country and the amount thereof;

"(2) whether there will be a lease to a country;

"(3) whether there will be a cooperative project and the scope thereof; and

"(4) whether there will be delivery or other performance under such sale, lease, cooperative project, or export,

to the end that sales, financing, leases, cooperative projects, and exports will be integrated with other United States activities and to the end that the foreign policy of the United States would be best served thereby.".

(3) Section 3(a) of such Act (22 U.S.C. 2753(a)) is amended—

(A) in the text preceding clause (1), by inserting ", and no agreement shall be entered into for a cooperative project (as defined in section 27(b) of this Act)," after "international organization,";

(B) in paragraph (2)—

"(i) by inserting ", or produced in a cooperative project (as defined in section 27 of this Act)" after "so furnished to it";

(ii) by inserting "(or the North Atlantic Treaty Organization or the specified member countries (other than the United States) in case of a cooperative project)" after "international organization" the second place it appears; and

(C) in paragraph (3), by inserting "or service" after "such article" both places it appears.

(4) Section 42(e) of such Act (22 U.S.C. 2791(e)) is amended—

(A) in paragraph (1), by inserting ", and each contract entered into under section 27(d) of this Act," after "of this Act"; and

(B) in paragraph (3), by inserting "or under contracts entered into under section 27(d) of this Act" after "of this Act".

(5) The amendments made by this subsection are repealed effective as of the effective date of similar amendments to the Arms Export Control Act in the International Security and Development Cooperative Act of 1985 or any other law.

(b) AMENDMENT TO TITLE 10, UNITED STATES CODE.—(1) Chapter 141 of title 10, United States Code (as amended by section 604(a)(1)), is amended by adding at the end thereof the following new section:

"§ 2407. Acquisition of defense equipment under North Atlantic Treaty Organization cooperative projects

"(a)(1) If the President delegates to the Secretary of Defense the authority to carry out section 27(d) of the Arms Export Control Act (22 U.S.C. 2767(d)), relating to North Atlantic Treaty Organization (NATO) cooperative projects (as defined in such section), the Secretary may utilize his authority under this title in carrying out contracts or obligations incurred under such section.

"(2) Except as provided in subsection (c), chapter 137 of this title shall apply to such contracts (referred to in paragraph (1)) entered into by the Secretary of Defense. Except to the extent waived under subsection (c) or some other provision of law, all other provisions of law relating to procurement, if otherwise applicable, shall apply to such contracts entered into by the Secretary of Defense.

"(b) When contracting or incurring obligations under section 27(d) of the Arms Export Control Act for cooperative projects, the Secretary of Defense may require subcontracts to be awarded to particular subcontractors in furtherance of the cooperative project.

"(c)(1) Subject to paragraph (2), when entering into contracts or incurring obligations under section 27(d) of the Arms Export Control Act outside the United States, the Secretary of Defense may waive with respect to any such contract or subcontract the application of any provision of law, other than a provision of the Arms Export Control Act or section 2304 of this title, that specifically—

"(A) prescribe procedures to be followed in the formation of contracts;

"(B) prescribe terms and conditions to be included in contracts;

"(C) prescribe requirements for or preferences to be given to goods grown, produced, or manufactured in the United States or in United States Government-owned facilities or for services to be performed in the United States; or

"(D) prescribe requirements regulating the performance of contracts.

"(2) A waiver may not be made under paragraph (1) unless the Secretary determines that the waiver is necessary to insure that the cooperative project will significantly further NATO standardization, rationalization, and interoperability.

"(3) The authority of the Secretary to make waivers under this subsection may be delegated only to the Deputy Secretary of Defense

or the Acquisition Executive designated for the Office of the Secretary of Defense.

"(d)(1) The Secretary of Defense shall notify the Congress each time he requires that a prime contract be awarded to a particular prime contractor or that a subcontract to be awarded to a particular subcontractor to comply with a cooperative agreement. The Secretary shall include in each such notice the reason for exercising his authority to designate a particular contractor or subcontractor, as the case may be.

"(2) The Secretary shall also notify the Congress each time he exercises a waiver under subsection (c) and shall include in such notice the particular provision or provisions of law that were waived.

"(3) A report under this subsection shall be required only to the extent that the information required by this subsection has not been provided in a report made by the President under section 27(e) of the Arms Export Control Act (22 U.S.C. 2767(e)).

"(e)(1) In carrying out a cooperative project under section 27 of the Arms Export Control Act, the Secretary of Defense may agree that a participant (other than the United States) may make a contract for requirements of the United States under the project if the Secretary determines that such a contract will significantly further NATO standardization, rationalization, and interoperability. Except to the extent waived under this section or under any other provision of law, the Secretary shall ensure that such contract will be made on a competitive basis and that United States sources will not be precluded from competing under the contract.

"(2) If a participant (other than the United States) in a NATO cooperative project makes a contract on behalf of such project to meet the requirements of the United States, the contract may permit the contracting party to follow its own procedures relating to contracting.

"(f) In carrying out a cooperative project, the Secretary of Defense may also agree to the disposal of property that is jointly acquired by the members of the project without regard to any laws of the United States applicable to the disposal of property owned by the United States. Disposal of such property may include a transfer of the interest of the United States in such property to one of the other governments participating in the cooperative agreement or the sale of such property. Payment for the transfer or sale of any interest of the United States in any such property shall be made in accordance with the terms of the cooperative agreement.

"(g) Nothing in this section shall be construed as authorizing—

"(1) the Secretary of Defense to waive any of the financial management responsibilities administered by the Secretary of the Treasury; or

"(2) to waive the cargo preference laws of the United States, including the Military Cargo Preference Act of 1904 (10 U.S.C. 2631) and the Cargo Preference Act of 1954 (46 U.S.C. 1241(b)).".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"2407. North Atlantic Treaty Organization cooperative projects.".

SEC. 1103. NATO COOPERATIVE RESEARCH AND DEVELOPMENT

(a) FINDINGS.—The Congress hereby finds—

(1) that for more than a decade the member nations of the North Atlantic Treaty Organization (NATO) have provided in the aggregate significantly larger resources for defense purposes than have the member nations of the Warsaw Treaty Organization;

(2) that, despite this fact, the Warsaw Treaty Organization member nations have produced and deployed many more major combat items such as tanks, armored personnel carriers, artillery pieces and rocket launchers, armed helicopters, and tactical combat aircraft than have the member nations of NATO; and

(3) that a major reason for this discouraging performance by NATO is inadequate cooperation among NATO nations in research, development, and production of military end-items of equipment and munitions.

(b) CONGRESSIONAL REQUEST FOR COOPERATION ON R&D.—The Congress, therefore, urges and requests the President, the Secretary of Defense, and the United States Representative to the North Atlantic Treaty Organization to pursue diligently opportunities for member nations of NATO to cooperate—

(1) in research and development on defense equipment and munitions; and

(2) in the production of defense equipment, including—

(A) coproduction of conventional defense equipment by the United States and other member nations of NATO; and

(B) production by United States contractors of conventional defense equipment designed and developed by other member nations of NATO.

(c) FUNDS FOR COOPERATIVE PROJECTS.—(1) Of the funds appropriated pursuant to the authorizations in section 201(a) $200,000,000 shall be available, in equal amounts, to the Army, Navy, Air Force, and Defense Agencies only for NATO cooperative research and development projects as provided in this section.

(2) As used in this section, the term "cooperative research and development project" means a project involving joint participation by the United States and one or more other member nations of NATO under a memorandum of understanding (or other formal agreement) to carry out a joint research and development program—

(A) to develop new conventional defense equipment and munitions; or

(B) to modify existing military equipment to meet United States military requirements.

(d) RESTRICTIONS.—(1) A memorandum of understanding (or other formal agreement) to conduct a cooperative research and development project may not be entered into unless the Secretary of Defense determines that the proposed project enhances the ongoing multinational effort to improve NATO's conventional defense capabilities through the application of emerging technology.

(2) The Secretary may not delegate the authority to make a determination under paragraph (1) except to the Deputy Secretary of Defense or the Under Secretary of Defense for Research and Engineering.

(e) Restrictions on Procurement of Equipment and Services.—In order to assure substantial participation on the part of other member nations of NATO in approved cooperative research and development projects, funds made available under subsection (c) for such projects may not be used to procure equipment or services from any foreign government, foreign research organization, or other foreign entity.

(f) Cooperative Opportunities Document.—(1)(A) In order to ensure that opportunities to conduct cooperative research and development projects are considered during the early decision points in the Department of Defense's formal development review process in connection with any planned project of the Department of Defense, the Under Secretary of Defense for Research and Engineering shall prepare a formal arms cooperation opportunities document for review by the Defense Systems Acquisition Review Council at its formal meetings.

(B) The Under Secretary shall also prepare an arms cooperation opportunities document for review of each new project for which a Justification of Major Systems New Start document is prepared.

(2) The formal arms cooperation opportunities document referred to in paragraph (1) shall include the following:

(A) A statement indicating whether or not a project similar to the one under consideration by the Department of Defense is in development or production by one or more of the other NATO member nations.

(B) If a project similar to the one under consideration by the Department of Defense is in development by one or more other member nations of NATO, an assessment by the Under Secretary of Defense for Research and Engineering as to whether that project could satisfy, or could be modified in scope so as to satisfy, the military requirements of the project of the United States under consideration by the Department of Defense.

(C) An assessment of the advantages and disadvantages with regard to program timing, developmental and life cycle costs, technology sharing, and Rationalization, Standardization, and Interoperability (RSI) of seeking to structure a cooperative development program with one or more other NATO member nations.

(D) The recommendation of the Under Secretary of Defense for Research and Engineering as to whether the Department of Defense should explore the feasibility and desirability of a cooperative development program with one or more other member nations of NATO.

(g) Side-by-Side Testing.—(1) It is the sense of Congress—

(A) that the Department of Defense should perform more side-by-side testing of conventional defense equipment manufactured by the United States and other member nations of NATO; and

(B) that such testing should be conducted at the late stage of the development process when there is usually only a single United States prime contractor.

(2) In addition to any funds appropriated for activities of the Director of Defense Test and Evaluation pursuant to section 201(a), $50,000,000 shall be available to the Director, from any other funds appropriated to the Department of Defense for fiscal year 1986, for

the acquisition of items of the type specified in paragraph (3) manufactured by other member nations of NATO for side-by-side comparison testing with comparable items of United States manufacture.

(3) Items that may be acquired by the Director of Defense Test and Evaluation under paragraph (2) include the following:

(A) Submunitions and dispensers.
(B) Anti-tank and anti-armor guided missiles.
(C) Mines, for both land and naval warfare.
(D) Runway-cratering devices.
(E) Torpedoes.
(F) Mortar systems.
(G) Light armored vehicles and major subsystems thereof.
(H) Utility vehicles.
(I) High-velocity anti-tank guns.
(J) Short-Range Air Defense Systems (SHORADS).
(K) Mobile air defense systems and components.

(4) The Director of Defense Test and Evaluation shall notify the Committees on Armed Services and on Appropriations of the Senate and House of Representatives of his intent to obligate funds made available to carry out this subsection not less than 30 days before such funds are obligated.

(5) Not later than February 1 of each year, the Director of Defense Test and Evaluation shall submit to the Committees on Armed Services and on Appropriations of the Senate and House of Representatives a report—

(A) on the systems, subsystems, and munitions produced by other member nations of NATO that were evaluated during the previous fiscal year by the Director; and

(B) on the obligation of any funds under this subsection during the previous fiscal year.

(h) SECRETARY TO ENCOURAGE SIMILAR NATO PROGRAMS.—The Secretary of Defense shall encourage other member nations of NATO to establish programs similar to the one provided for in this section.

TITLE XII—DEPARTMENT OF DEFENSE MANAGEMENT

PART A—MANAGEMENT OF FACILITIES AND DOD ORGANIZATION

SEC. 1201. ANNUAL SELECTED ACQUISITION REPORTS

Subsection (c) of section 139a of title 10, United States Code, is amended to read as follows:

"(c)(1) Each Selected Acquisition Report for the first quarter for a fiscal year shall include—

"(A) the same information, in detailed and summarized form, as is provided in reports submitted under section 139 of this title;

"(B) the current program acquisition unit cost for each major defense acquisition program included in the report and the history of that cost from the date the program was first included in a Selected Acquisition Report to the end of the quarter for which the current report is submitted; and

"(C) such other information as the Secretary of Defense considers appropriate.

"(2) Each Selected Acquisition Report for the first quarter of a fiscal year shall be prepared and submitted with the same content as was used for the Selected Acquisition Report for the first quarter of fiscal year 1984.

"(3) In addition to the material required by paragraphs (1) and (2), each Selected Acquisition Report for the first quarter of a fiscal year shall include—

"(A) a full life-cycle cost analysis for each major defense acquisition program included in the report that—

"(i) is in the full-scale engineering development stage or has completed that stage; and

"(ii) was first included in a Selected Acquisition Report for a quarter after the first quarter of fiscal year 1985;

"(B) if the system that is included in that major defense acquisition program has an antecedent system, a full life-cycle cost analysis for that system; and

"(C) production information for each major defense acquisition program included in the report, including (with respect to each such program)—

"(i) specification of the baseline production rate for each year of production of the program, defined as the production rate for each fiscal year through completion of procurement assumed in the decision to proceed with production (commonly referred to as the "Milestone III" decision);

"(ii) specification of the production rate for each fiscal year through completion of procurement assumed in the cost-effectiveness analysis prepared in conjunction with the decision to proceed with full-scale engineering development (commonly referred to as the "Milestone II" decision);

"(iii) specification of the maximum production rate for each year of production under the program, defined as the production rate for each fiscal year through completion of procurement attainable with the facilities and tooling currently programmed to be available for procurement under the program or otherwise provided by Government funds;

"(iv) specification of the current production rate for each year of production, defined as the production rate for the fiscal year during which the report is submitted and the annual production rate currently programmed for each subsequent fiscal year through completion of procurement, based on the President's Budget for the following fiscal year;

"(v) estimation of any cost variance—

"(I) between the program acquisition unit cost at the current production rate specified under clause (iv) and the program acquisition unit cost at the baseline production rate specified under clause (i); and

"(II) between the total program cost at the current production rate specified under clause (iv) and the total program cost at the maximum production rate specified under clause (iii); and

"(vii) estimation of any schedule or delivery variance—

"(I) between total quantities assumed in the baseline production rate specified under clause (i) and the current production rate specified under clause (iv); and

"(II) total quantities assumed in the maximum production rate specified under clause (iii) and the current production rate specified under clause (iv).

"(4) Selected Acquisition Reports for the first quarter of a fiscal year shall be known as comprehensive annual Selected Acquisition Reports.".

SEC. 1202. BASE CLOSURES AND REALIGNMENTS

(a) In General.—Section 2687 of title 10, United States Code, is amended to read as follows:

"§ 2687. Base closures and realignments

"(a) Notwithstanding any other provision of law, no action may be taken to effect or implement—

"(1) the closure of any military installation at which at least 300 civilian personnel are authorized to be employed;

"(2) any realignment with respect to any military installation referred to in paragraph (1) involving a reduction by more than 1,000, or by more than 50 percent, in the number of civilian personnel authorized to be employed at such military installation at the time the Secretary of Defense or the Secretary of the military department concerned notifies the Congress under subsection (b) of the Secretary's plan to close or realign such installation; or

"(3) any construction, conversion, or rehabilitation at any military facility other than a military installation referred to in clause (1) or (2) which will or may be required as a result of the relocation of civilian personnel to such facility by reason of any closure or realignment to which clause (1) or (2) applies,

unless and until the provisions of subsection (b) are complied with.

"(b) No action described in subsection (a) with respect to the closure of, or a realignment with respect to, any military installation referred to in such subsection may be taken unless and until—

"(1) the Secretary of Defense or the Secretary of the military department concerned notifies the Committees on Armed Services of the Senate and House of Representatives, as part of an annual request for authorization of appropriations to such Committees, of the proposed closing or realignment and submits with the notification an evaluation of the fiscal, local economic, budgetary, environmental, strategic, and operational consequences of such closure or realignment; and

"(2) a period of 30 legislative days or 60 calendar days, whichever is longer, expires following the day on which the notice and evaluation referred to in clause (1) have been submitted to such committees, during which period no irrevocable action may be taken to effect or implement the decision.

"(c) This section shall not apply to the closure of a military installation, or a realignment with respect to a military installation, if the President certifies to the Congress that such closure or realignment must be implemented for reasons of national security or a military emergency.

"(d)(1) After the expiration of the period of time provided for in subsection (b)(2) with respect to the closure or realignment of a military installation, funds which would otherwise be available to the Secretary to effect the closure or realignment of that installation may be used by him for such purpose.

"(2) Nothing in this section restricts the authority of the Secretary to obtain architectural and engineering services under section 2807 of this title.

"(e) As used in this section:

"(1) 'Military installation' means a base, camp, post, station, yard, center, or other activity under the jurisdiction of the Secretary of a military department which is located within any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the Virgin Islands, or Guam. Such term does not include any facility used primarily for civil works, rivers and harbors projects, or flood control projects.

"(2) 'Civilian personnel' means direct-hire, permanent civilian employees of the Department of Defense.

"(3) 'Realignment' includes any action which both reduces and relocates functions and civilian personnel positions, but does not include a reduction in force resulting from workload adjustments, reduced personnel or funding levels, skill imbalances, or other similar causes.

"(4) 'Legislative day' means a day on which either House of Congress is in session.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to closures and realignments completed on or after the date of the enactment of this Act, except that any action taken to effect or implement any closure or realignment for which a public announcement was made pursuant to section 2687(b)(1) of title 10, United States Code, after April 1, 1985, and before the date of enactment of this Act shall be subject to the provisions of section 2687 of such title as in effect on the day before such date of enactment.

SEC. 1203. DEMONSTRATION PROJECT TO TEST THE USE OF A CERTAIN COMPUTER SYSTEM IN MILITARY HOSPITALS

(a) TEST OF VETERANS' ADMINISTRATION DECENTRALIZED HOSPITAL COMPUTER PROGRAM (DHCP).—The Secretary of Defense (hereinafter in this section referred to as the "Secretary") shall carry out a demonstration project for the purpose of testing the use in military hospitals of the hospital-management computer system of the Veterans' Administration known as the Veterans' Administration's decentralized hospital computer program. The purpose of the test shall be to determine the feasibility and cost-effectiveness of the use in military hospitals of such system rather than the use of a centralized hospital-management computer system, including the Composite Health-Care System.

(b) DURATION AND LOCATION OF DEMONSTRATION PROJECT.—The demonstration project under subsection (a) shall be carried out over a six-month period beginning on March 1, 1986, in two military hospitals. One of such hospitals shall be the hospital at March Air Force Base, and the test of the Veterans' Administration decentralized hospital computer program at such Air Force Base shall be expanded to meet the requirements of this section. The second hospital

at which the demonstration project shall be carried out shall be designated by the Secretary of Defense. Such hospital may not be under the jurisdiction of the Secretary of the Air Force and shall be significantly larger than the hospital at March Air Force Base.

(c) Use of All Components of DHCP.—The Secretary, in consultation with the Administrator of Veterans' Affairs, shall ensure that all available components of the Veterans' Administration system referred to in subsection (a) (including equipment and software) are used at their current functional level in each hospital in which the system is tested under this section.

(d) Assistance From Veterans' Administration.—The Administrator of Veterans' Affairs shall provide, on a reimbursable basis, such personnel and equipment as are requested by the Secretary and determined by the Administrator to be available in order to assist the Secretary in carrying out the demonstration project under subsection (a).

(e) Report by Secretary of Defense.— The Secretary shall transmit to Congress a report describing the demonstration project carried out under this section. Such report shall include specific findings and conclusions by the Secretary, and by the Secretary of each military department, with respect to the feasibility and cost-effectiveness of using the Veterans' Administration system referred to in subsection (a) in military hospitals, including the cost advantage that would accrue from acquiring a hospital-management computer system in the near term rather than the date that would apply if the Secretary were to acquire a centralized computer system, including the Composite Health-Care System.

(f) Comptroller General Evaluation and Reports.—(1) The Comptroller General shall evaluate—

(A) the acquisition and implementation of the Composite Health-Care System; and

(B) the conduct of the demonstration project.

(2) The Comptroller General shall submit to Congress the reports specified in subsection (g) with respect to such evaluations and such other reports on such evaluations as may be appropriate.

(3) The evaluations required by paragraph (1) shall include consideration of—

(A) whether the Department of Defense has carried out the demonstration project in accordance with this section;

(B) the results of the demonstration project, including the feasibility and cost-effectiveness of using the Veterans' Administration system referred to in subsection (a) in military hospitals in lieu of the Composite Health-Care System; and

(C) the competitive acquisition process followed by the Department of Defense in making the selection of, and contract awards to, vendors for the Composite Health-Care System.

(g) Restrictions.—(1) The Secretary may not select vendors for the competition phase of the acquisition of the Composite Health-Care System or enter into any contract related to that phase until the earlier of—

(A) June 1, 1986; or

(B) the end of the 60-day period beginning on the date the Comptroller General submits a report under subsection (f) on

the competitive acquisition process followed by the Department of Defense in selecting vendors for such competition phase.

(2) The Secretary may not enter into a contract for the procurement of a centralized computer system for military hospitals, including the Composite Health-Care System, until the Secretary—

(A) evaluates the results of the project carried out under this section in accordance with subsection (e);

(B) submits to Congress a report on such evaluation; and

(C) a period of 60 days has passed after receipt by Congress of that report.

(3) The Secretary may not make the final selection of a vendor or enter into a contract for the procurement of a centralized computer system for military hospitals, including the Composite Health-Care System, until the earlier of—

(A) July 1, 1987; or

(B) the end of the 60-day period beginning on the date on which the Comptroller General submits a report under subsection (f) on—

(i) the results of the demonstration project carried out under this section; and

(ii) the competitive acquisition process followed by the Department of Defense leading to the final selection of a vendor.

(h) DEFINITIONS.—In this section:

(1) The term "military hospital" means a hospital or medical center under the jurisdiction of the Secretary of a military department.

(2) The term "Composite Health-Care System" means the centralized hospital-management computer system that the Department of Defense is in the process of acquiring (as of the date of the enactment of this Act) for its medical facilities.

SEC. 1204. CONTINUED OPERATION BY THE SECRETARY OF DEFENSE OF THE DEFENSE DEPENDENTS' EDUCATION SYSTEM

(a) AMENDMENTS TO DEPARTMENT OF EDUCATION ORGANIZATION ACT.—(1) Sections 202(e), 208, 302, and 401(f), of the Department of Education Organization Act (20 U.S.C. 3412(e), 3418, 3442, and 3461(f)) are repealed.

(2) Section 419(a) of such Act (20 U.S.C. 3479(a)) is amended—

(A) by striking out "(1)" after "(a)"; and

(B) by striking out paragraph (2).

(3) Section 503(a) of such Act (20 U.S.C. 3503(a)) is amended—

(A) by striking out "(1)" after "(a)"; and

(B) by striking out paragraph (2).

(4) The table of contents at the beginning of such Act is amended by striking out the items relating to sections 208 and 302.

(5) Section 414(b) of such Act (20 U.S.C. 3474(b)) is amended by striking out "302,".

(b) AMENDMENTS TO DEFENSE DEPENDENTS' EDUCATION ACT OF 1978.—(1) Section 1402 of the Defense Dependents' Education Act of 1978 (20 U.S.C. 921) is amended by adding at the end thereof the following new subsection:

"(c) The Secretary of Defense shall consult with the Secretary of Education on the educational programs and practices of the defense dependents' education system.".

(2)(A) Subsection (a)(1) of section 1410 of such Act (20 U.S.C. 928) is amended by adding at the end thereof the following new sentence: "The membership of each such advisory committee shall also include one nonvoting member designated by the organization recognized as the exclusive bargaining representative of the employees working at the school.".

(B) The first sentence of subsection (b) of such section is amended by striking out "Members" and inserting in lieu thereof "Except in the case of a nonvoting member designated under the last sentence of subsection (a)(1), members".

(C) The second sentence of such subsection is amended by striking out "The Secretary of Education, in consultation with the Secretary of Defense," and inserting in lieu thereof "The Secretary of Defense".

(3)(A) Subsection (a) of section 1411 of such Act (20 U.S.C. 929) is amended to read as follows:

"(a)(1) There is established in the Department of Defense an Advisory Council on Dependents' Education (hereinafter in this section referred to as the 'Council'). The Council shall be composed of—

"(A) the Secretary of Defense and the Secretary of Education, or their respective designees;

"(B) 12 individuals appointed jointly by the Secretary of Defense and the Secretary of Education who shall be individuals who have demonstrated an interest in the field of primary or secondary education and who shall include representatives of professional employee organizations, school administrators, and parents of students enrolled in the defense dependents' education system, and one student enrolled in such system; and

"(C) a representative of the Secretary of Defense and of the Secretary of Education.

"(2) Individuals appointed to the Council from professional employee organizations shall be individuals designated by those organizations.

"(3) The Secretary of Defense, or the Secretary's designee, and the Secretary of Education, or the Secretary's designee, shall serve as cochairmen of the Council.

"(4) The Director shall be the Executive Secretary of the Council.".

(4) Subsection (b)(1) of such section is amended by inserting "the Secretary of Defense and" before "the Secretary of Education".

(5) Subsection (c) of such section is amended—

(A) by striking out "at least four times each year" and inserting in lieu thereof "at least two times each year";

(B) by striking out paragraph (2);

(C) by redesignating paragraphs (3), (4), and (5) as paragraphs (2), (3), and (4), respectively; and

(D) by striking out "Secretary of Education" in paragraph (4) (as redesignated by subparagraph (C) of this paragraph) and inserting in lieu thereof "Secretary of Defense".

(c) Conforming Amendment.—Section 5316 of title 5, United States Code, is amended by striking out "Administrator of Education for Overseas Dependents, Department of Education.".

SEC. 1205. AUTHORITY TO ENROLL CERTAIN CHILDREN IN OVERSEAS SCHOOLS OF THE DEFENSE DEPENDENTS' EDUCATION SYSTEM

Section 1404 of the Defense Dependents' Education Act of 1978 (20 U.S.C. 923) is amended by adding at the end thereof the following new subsection:

"(d)(1) The Secretary of Defense may authorize the enrollment in schools of the defense dependents' education system of children in the following classes:

"(A) Children of officers and employees of the United States (including employees of nonappropriated fund activities of the Department of Defense) stationed in overseas areas.

"(B) Children of employees of contractors employed in carrying out work for the United States in overseas areas.

"(C) Children of other citizens or nationals of the United States or of foreign nationals, if the Secretary determines that enrollment of such children is in the national interest.

"(2) Notwithstanding subsection (c), the Secretary may not waive the tuition requirements of subsection (b)(1) with respect to children referred to in paragraph (1).".

SEC. 1206. LIMITATION ON SIZE OF HEADQUARTERS STAFFS

(a) Freeze on Headquarters Personnel.—As of September 30, 1986, the total number of military and civilian personnel assigned to duty in the agencies of the Department of Defense and the military departments to perform management headquarters activities or management headquarters support activities may not exceed the total number of personnel assigned to perform such activities as of September 30, 1985.

(b) Cap on OSD Personnel.—The number of military and civilian personnel assigned to the Office of the Secretary of Defense as of September 30, 1986, may not exceed 1,765.

(c) Exclusions.—In computing the number of military and civilian personnel assigned to duty in any agency of the Department of Defense or any military department to perform management headquarters activities or management headquarters support activities, the number of personnel assigned to such duty in the National Security Agency/Central Security Service, the Defense Intelligence Agency, the Organization of the Joint Chiefs of Staff, or the Naval Intelligence Command shall not be included.

(d) Definitions.—For purposes of this section, the terms "management headquarters activities" and "management headquarters support activities" have the same meanings prescribed for such terms in Department of Defense Directive 5100.73 entitled "Department of Defense Management Headquarters and Headquarters Support Activities", dated January 7, 1985.

SEC. 1207. REPORT ON ORGANIZATIONAL STRUCTURE OF THE MILITARY HEALTH-CARE DELIVERY SYSTEM.

(a) Requirement for Report.—(1) The Secretary of Defense shall submit to Congress a report containing a plan for revising the organizational structure of the military health-care delivery system to

accomplish the goals described in subsection (b). In addition to recommendations of the Secretary, the report shall contain an analysis and evaluation of the various alternatives for that organizational structure that have been proposed as well as such other measures as the Secretary considers appropriate.

(2) The report of the Secretary shall be prepared through the Office of the Assistant Secretary of Defense for Health Affairs.

(b) GOALS.—The goals referred to in subsection (a) are the following:

(1) Streamlining the process for allocation of resources of the military health-care delivery system, including—

(A) integrating and coordinating the planning, programming, and budgeting of military medical facilities, equipment, and staffing; and

(B) adopting uniform budgeting procedures, uniform measures of workload, and other actions to improve operational efficiency (including the elimination of incentives to the over-use inpatient care).

(2) Improving the quality of medical care, including adoption of uniform, rigorous quality assurance standards and procedures to monitor the implementation of those standards.

(3) Reducing the cost of health care provided by the Department of Defense (in military medical facilities and under the Civilian Health and Medical Program of the Uniformed Services) through adoption or adaptation, where possible, of competitive strategies, cost containment innovations, or other techniques from the private sector.

(4) Enhancing medical readiness, including—

(A) improving joint medical readiness planning within the continental United States and overseas;

(B) standardizing combat medical equipment;

(C) standardizing the methodology used to determine the number of personnel, force structure, and specialty mix necessary to meet wartime medical manpower requirements; and

(D) redirecting graduate medical education programs to provide training in critical combat specialties.

(c) VIEWS OF OTHER DOD COMPONENTS.—The Secretary of each military department and the Joint Chiefs of Staff shall each carry out an independent study of the matters described in subsection (a). The report submitted under subsection (a) shall include the results of each such study. The study carried out by the Joint Chiefs of Staff shall include comments and contributions from the commanders of each of the unified and specified commands.

(d) DEADLINE FOR REPORT.—The report required by subsection (a) shall be submitted not later than 6 months after the date of the enactment of this Act.

SEC. 1208. ANNUAL REPORT ON GUARD AND RESERVE EQUIPMENT

Section 138(b) of title 10, United States Code, is amended by adding at the end thereof the following new paragraph:

"(3) The Secretary shall include in each report under paragraph (2) the following:

"(A) A listing of each major item of equipment required by the Selected Reserve of the Ready Reserve of each reserve component indicating—

"(i) the full war-time requirement of that component for that item, shown in accordance with deployment schedules and requirements over successive 30-day periods following mobilization;

"(ii) the number of each such item in the inventory of the component;

"(iii) a separate listing of each such item in the inventory that is a deployable item and is not the most desired item;

"(iv) the number of each such item projected to be in the inventory at the end of the third succeeding fiscal year; and

"(v) the number of nondeployable items in the inventory as a substitute for a required major item of equipment.

"(B) A narrative explanation of the plan of the Secretary concerned to provide equipment needed to fill the war-time requirement for each major item of equipment to all units of the Selected Reserve, including an explanation of the plan to equip units of the Selected Reserve that are short major items of equipment at the outset of war.

"(C) For each item of major equipment reported under paragraph (2)(C) in a report for one of the three previous years under this subsection as an item expected to be procured for the Selected Reserve or to be transferred to the Selected Reserve, the quantity of such equipment actually procured for or transferred to the Selected Reserve.".

SEC. 1209. MORATORIUM ON FRANCHISE AGREEMENTS BY MILITARY EXCHANGE SERVICES

(a) IN GENERAL.—During the period beginning on the date of enactment of this Act and ending 30 days after the date Congress receives the report required by subsection (b), but no later than May 1, 1986, the Commanders of the Army and Air Force Exchange Service, the Navy Exchange Service, and the Marine Corps Exchange Service may not begin construction of any facility that—

(1) is located on a military installation in the United States;

(2) is to be used for the operation of a commercial franchise business; and

(3) is not identified in a contract, supplemental agreement to a contract, a contract solicitation, or letter of intent agreed to before the date of the enactment of this Act.

(b) REPORT REQUIREMENT.—(1) Not later than February 1, 1986, the Secretary of Defense shall transmit to Congress a report on current and proposed commercial franchise business operations on military installations.

(2) The report required by paragraph (1) shall include the following:

(A) A description of current and proposed plans of the exchange services referred to in subsection (a) to operate, or to authorize the operation of, commercial franchise businesses on military installations, specifying the franchises, installations, and types of services provided or to be provided under such plans.

(B) An enumeration of any advantages to commencing or expanding commercial franchise business activities on military installations.

(C) A description of the type and value of appropriated fund support (including Federal land and facilities) provided to activities of the exchange services referred to in subsection (a).

(D) A description of review and approval procedures in effect for determining whether the exchange services will enter into new commercial business franchise activities or will expand existing commercial business franchise activities.

(E) A description of the procedure for deciding whether services should be provided under contract or franchise or by using the resources of the exchange services.

(F) A description of the process by which a military installation is selected for new or increased levels of activities of the exchange services.

(G) A description of the consideration given to the impact that the addition of a new commercial business franchise activity or an expansion of an existing commercial business franchise activity of an exchange service at a military installation will have on private commercial business operations in the vicinity of the installation.

(H) An estimate (after consultation with the Secretary of the Treasury) of—

(i) the amount of tax revenues lost annually by State and local jurisdictions as the result of the operation of commercial franchise businesses on military installations in the United States; and

(ii) the potential effect on State and local tax bases of expansion of such businesses.

(I) The legal basis for and propriety of the operation by an instrumentality of the United States of a commercial business on a military installation under a franchise arrangement.

(c) PRIOR NOTICE TO CONGRESS.—(1) An officer or employee of the Department of Defense may not enter into a contract for the construction of a facility for or operation of a commercial franchise business on a military installation in the United States until the Secretary of Defense notifies Congress of the intention to enter into the contract.

(2) Paragraph (1) shall expire at the end of the two-year period beginning on the date of the enactment of this Act.

SEC. 1210. PRIORITY FOR AIR FORCE SHUTTLE OPERATIONS AND PLANNING COMPLEX

(a) DATES FOR IOC.—(1) The Secretary of the Air Force shall give sufficient priority to the completion of the Air Force Shuttle Operations and Planning Complex (SOPC) to ensure an initial operational capability (IOC) date for mission control at such complex in November 1992.

(2) In order to meet that IOC date, the Secretary is encouraged to maximize, to the extent feasible and practicable, commonality of design and equipments at the SOPC with the planned modernization of shuttle control facilities at the Johnson Space Flight Center.

(b) REPORT.—At the time of the submission to Congress of the President's budget for fiscal year 1987, the Secretary of the Air Force shall submit to the Committees on Armed Services of the Senate and House of Representatives a report setting forth a program plan by which the IOC date as specified in subsection (a) may be met.

SEC. 1211. PROVISION OF URANIUM TETRAFLUORIDE TO CONTRACTORS FOR PRODUCTION OF CONVENTIONAL AMMUNITION

(a) IN GENERAL.—Subject to subsection (b), the Secretary of the Army, during fiscal year 1986, may provide uranium tetrafluoride (green salt) from stockpile materials available to the Secretary to a contractor for the production of conventional ammunition for the Army.

(b) CERTIFICATION BY THE SECRETARY.—The Secretary may not provide uranium tetrafluoride to a contractor under this section until the Secretary certifies to Congress that—

(1) such action is necessary to meet the fiscal year 1986 ammunition production requirement because neither uranium tetrafluoride nor depleted uranium metal of the appropriate quality is available to the contractor from commercial sources—

(A) in the quantity needed by the contractor;

(B) during the period in which the material is needed by the contractor; and

(C) at a reasonable price (to be determined by the Comptroller General of the United States after taking into account an appropriate profit and the investment made in facilities as a consequence of the decision of the Secretary to discontinue providing uranium tetrafluoride to contractors beginning in fiscal year 1986);

(2) the contractor has agreed to repay to the United States a quantity of uranium tetrafluoride equivalent to the quantity provided to the contractor by the Secretary and has presented the Secretary with a credible plan for the repayment of the material; and

(3) the contractor has agreed to pay interest (at a rate determined by the Secretary) for the period beginning on the date on which the uranium tetafluoride is made available to the contractor and ending on the date on which the material is repaid to the United States.

SEC. 1212. PROHIBITION OF CERTAIN RESTRICTIONS ON INSTITUTIONS ELIGIBLE TO PROVIDE EDUCATIONAL SERVICES

(a) No solicitation, contract, or agreement for the provision of off-duty postsecondary education services for members of the Armed Forces of the United States, civilian employees of the Department of Defense, or the dependents of such members or employees may discriminate against or preclude any accredited academic institution authorized to award one or more associate degrees from offering courses within its lawful scope of authority solely on the basis of such institution's lack of authority to award a baccalaureate degree.

(b) No solicitation, contract, or agreement for the provision of off-duty postsecondary education services for members of the Armed Forces of the United States, civilian employees of the Department of Defense, or the dependents of such members or employees, other

than those for services at the graduate or postgraduate level, may limit the offering of such services or any group, category, or level of courses to a single academic institution. However, nothing in this section shall prohibit such actions taken in accordance with regulations of the Secretary of Defense which are uniform for all armed services as may be necessary to avoid unnecessary duplication of offerings, consistent with the purpose of this provision of ensuring the availability of alternative offerors of such services to the maximum extent feasible.

(c) This section shall apply to contracts entered into after April 1, 1985.

(d) Nothing in this section shall be construed to require more than one academic institution to be authorized to offer courses aboard a particular naval vessel.

(e)(1) The Comptroller General of the United States shall carry out a study to determine (A) the educational needs of members of the Armed Forces of the United States and civilian employees of the Department of Defense stationed outside the United States and the educational needs of the dependents of such members and employees, (B) the most effective and feasible means of meeting such needs, and (C) the cost of providing such means.

(2) Not later than September 1, 1986, the Comptroller General shall transmit to the Congress a report on the study required by subsection (1). The report shall include the Comptroller General's findings and such recommendations for legislation as the Comptroller General considers appropriate.

PART B—PERSONNEL MANAGEMENT

SEC. 1221. COUNTERINTELLIGENCE POLYGRAPH PROGRAM

(a) IMPLEMENTATION OF PROGRAM.—During fiscal years 1986 and 1987, the Secretary of Defense shall implement a program of counterintelligence polygraph examinations based upon Department of Defense Directive 5210.48, dated December 24, 1984, for military and civilian personnel of the Department of Defense and personnel of defense contractors whose duties involve access to classified information at the level of top secret or classified information within special access programs established under section 4.2(a) of Executive Order 12356.

(b) LIMITATION DURING FISCAL YEARS 1986 AND 1987.—The total number of persons required to take a counterintelligence polygraph examination under this section—

(1) may not exceed 3,500 during fiscal year 1986; and

(2) may not exceed 7,000 during fiscal year 1987.

(c) REPORTS.—(1) Not later than December 31, 1985, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on his plans to expand the use of polygraph examinations in the Department of Defense. Such report shall include a discussion of the Secretary's plans for recruiting and training additional polygraph operators.

(2) Not later than December 31, 1986, the Secretary shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the use of polygraph examinations ad-

ministered by or for the Department of Defense during fiscal year 1986. The report shall include—

(A) the number of polygraph examinations conducted during such fiscal year;

(B) a description of the purposes and results of such examinations;

(C) a description of the criteria used for selecting programs and individuals for examinations;

(D) the number of persons who refused to submit to an examination;

(E) a description of the actions taken, including denial of clearance or any adverse action, when an individual either failed or refused to take the examination;

(F) an explanation of the uses made of the results of the examinations; and

(G) a detailed accounting of those cases in which more than two examinations were needed to attempt to resolve discrepancies.

(d) POLYGRAPH RESEARCH PROGRAM.—(1) The Secretary of Defense shall carry out a continuing research program to support the polygraph activities of the Department of Defense. The program shall include—

(A) an on-going evaluation of the validity of polygraph techniques used by the Department;

(B) research on polygraph countermeasures and anti-countermeasures; and

(C) developmental research on polygraph techniques, instrumentation, and analytic methods.

(2) Not later than December 31 of each year, the Secretary shall submit to the Committees on Armed Services of the Senate and House of Representatives, the Select Committee on Intelligence of the Senate, and the Permanent Select Committee on Intelligence of the House of Representatives a report on the results during the preceding fiscal year of the research program referred to in paragraph (1).

(3) There is authorized to be appropriated to the Department of Defense for fiscal year 1986 the sum of $590,000 to carry out the research program referred to in paragraph (1).

(e) NON-APPLICATION OF SECTION.—This section does not apply—

(1) to an individual assigned or detailed to the Central Intelligence Agency or to any expert or consultant under a contract with the Central Intelligence Agency;

(2) to (A) an individual employed by or assigned or detailed to the National Security Agency, (B) an expert or consultant under contract to the National Security Agency, (C) an employee of a contractor of the National Security Agency, or (D) an individual applying for a position in the National Security Agency; or

(3) to an individual assigned to a space where sensitive cryptologic information is produced, processed, or stored.

SEC. 1222. REDUCTION IN SECURITY CLEARANCE BACKLOG

(a) FINDING.—The Congress finds that there are many persons with a security clearance at a level of top secret or above who have not been investigated for more than five years as a result of delays

in the program of the Department of Defense for periodic reinvestigations of persons with clearances at such a level.

(b) Reduction in Clearance Backlog.—The Secretary of Defense shall take such action as may be necessary to achieve a substantial reduction in the backlog under such periodic-reinvestigation program by the end of fiscal year 1986. The Secretary should seek to obtain a 25 percent reduction in that backlog in fiscal year 1986.

(c) Authorization of Appropriations.—There is authorized to be appropriated for fiscal year 1986 for operation and maintenance of defense agencies $25,000,000 which may be used only for the purpose of carrying out actions required by subsection (b).

(d) Report.—Not later than April 1, 1986, the Secretary shall submit to Congress a report on the level and manner of obligating the funds appropriated pursuant to the authorization in subsection (c) and on the level of reductions of the backlog achieved at the time of the report. Such report also shall include a description of resources and the funding level which would be needed in order to reduce by the end of fiscal year 1987 such backlog by 50 percent below the level of such backlog on the date of the enactment of this Act.

SEC. 1223. AUTHORITY FOR INDEPENDENT CRIMINAL INVESTIGATIONS BY NAVY AND AIR FORCE INVESTIGATIVE UNITS

The Secretary of the Navy shall prescribe regulations providing to the Naval Investigative Service authority to initiate and conduct criminal investigations on the authority of the Director of the Naval Investigative Service. The Secretary of the Air Force shall prescribe regulations providing to the Air Force Office of Special Investigations authority to initiate and conduct criminal investigations on the authority of the Commander of the Air Force Office of Special Investigations.

SEC. 1224. ESTABLISHMENT OF MINIMUM DRINKING AGE ON MILITARY INSTALLATIONS

(a) Minimum Drinking Age Based on State Law.—Section 2683 of title 10, United States Code, is amended by adding at the end thereof the following new subsection:

"(c)(1) Except as provided in paragraphs (2) and (3), the Secretary concerned shall establish and enforce as the minimum drinking age on a military installation located in a State the age established by the law of that State as the State minimum drinking age.

"(2)(A) In the case of a military installation located—

"(i) in more than one State; or

"(ii) in one State but within 50 miles of another State or Mexico or Canada,

the Secretary concerned may establish and enforce as the minimum drinking age on that military installation the lowest applicable age.

"(B) In subparagraph (A), 'lowest applicable age' means the lowest minimum drinking age established by the law—

"(i) of a State in which a military installation is located; or

"(ii) of a State or jurisdiction of Mexico or Canada that is within 50 miles of such military installation.

"(3)(A) The commanding officer of a military installation may waive the requirement of paragraph (1) if such commanding officer determines that the exemption is justified by special circumstances.

"(B) The Secretary of Defense shall define by regulations what constitute special circumstances for the purposes of this paragraph.

"(4) In this subsection:

"(A) 'State' includes the District of Columbia.

"(B) 'Minimum drinking age' means the minimum age or ages established for persons who may purchase, possess, or consume alcoholic beverages.".

(b) Conforming Amendments.—(1) Section 2683(b) of such title is amended by striking out "section" in subsection (b) and inserting in lieu thereof "subsection (a)".

(2) Section 6 of the 1951 Amendments to the Universal Military Training and Service Act (50 U.S.C. App. 473) is amended by striking out "The" in the first sentence and inserting in lieu thereof "Subject to section 2683(c) of title 10, United States Code, the".

(c) Clerical Amendments.—(1) The heading of section 2683 of title 10, United States Code, is amended to read as follows:

"§ 2683. Relinquishment of legislative jurisdiction; minimum drinking age on military installations".

(2) The item relating to that section in the table of sections at the beginning of chapter 159 of such title is amended to read as follows:

"2683. Relinquishment of legislative jurisdiction; minimum drinking age on military installations.".

(d) Effective Date.—The amendments made by this section shall take effect 90 days after the date of the enactment of this Act.

(e) Report.—(1) Not later than February 1, 1986, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on—

(A) the effects of the provisions of section 2683 of title 10, United States Code, as added by subsection (a); and

(B) the feasibility and desirability of permitting the sale to members of the Armed Forces who have not attained the minimum drinking age established on a military installation under such section, in establishments located on the military installation, of—

(i) low alcohol malt beverages (2.0 percent or less alcohol by weight); and

(ii) low alcohol wine beverages (6.0 percent or less alcohol by volume).

(2) The report required by paragraph (1) shall include—

(A) comments and recommendations by the Secretary concerning the feasibility and desirability of permitting the sale of the low alcohol beverages described in paragraph (1)(B);

(B) an analysis of any effects of such sale on—

(i) the incidence of members of the Armed Forces or their dependents operating motor vehicles while under the influence of alcohol or drugs; and

(ii) the incidence of persons operating motor vehicles on a military installation while under the influence of alcohol or drugs;

(C) an analysis of any effects of the provions of section 2683 of title 10, United States Code, as added by subsection (a), on—

(i) the incidence of members of the Armed Forces or their dependents operating motor vehicles while under the influence of alcohol or drugs; and

(ii) the incidence of persons operating motor vehicles on a military installation while under the influence of alcohol or drugs; and

(D) any comments or recommendations the Secretary may consider appropriate, including any proposal for legislative action.

SEC. 1225. CASH AWARDS FOR DISCLOSURES LEADING TO COST SAVINGS

(a) MEMBERS OF THE ARMED FORCES.—(1) Section 1124 of title 10, United States Code, is amended by inserting "disclosure," in subsections (a), (b), (c), and (f) before "suggestion".

(2)(A) The heading of such section is amended to read as follows:

"§ 1124. Cash awards for disclosures, suggestions, inventions, and scientific achievements".

(B) The item relating to such section in the table of sections at the beginning of chapter 57 of such title is amended to read as follows:

"1124. Cash awards for disclosures, suggestions, inventions, and scientific achievements.".

(3) The amendments made by this subsection shall take effect on October 1, 1985.

(b) CIVILIAN EMPLOYEES.—(1)(A) Section 4514 of title 5, United States Code, is amended to read as follows:

"§ 4514. Expiration of authority; reporting requirement

"(a) No award may be made under this subchapter after September 30, 1988.

"(b)(1) Not later than March 15, 1988, the Comptroller General shall submit to Congress a report on the effectiveness of the awards program under this subchapter.

"(2) The report shall include the views of the Comptroller General as to whether the authority to make awards under this subchapter should be continued after September 30, 1988, and, if so, whether any modification in such authority would be appropriate.".

(B) The item relating to such section in the table of sections for chapter 45 of such title is amended to read as follows:

"4514. Expiration of authority; reporting requirement.".

(2) Section 4512 of such title is amended by striking out subsection (c).

PART C—CONTRACTING OUT FOR PERFORMANCE OF CERTAIN FUNCTIONS

SEC. 1231. SPECIFICATION OF CORE-LOGISTICS FUNCTIONS SUBJECT TO CONTRACTING-OUT LIMITATION

(a) IN GENERAL.—A function of the Department of Defense described in subsection (b) shall be deemed for the purposes of section 307(b) of the Department of Defense Authorization Act, 1985 (Public Law 98–525; 98 Stat. 2514), to be a logistics activity identified by the Secretary of Defense under section 307(a)(2) of such Act as necessary to maintain the logistics capability of the Department of Defense described in section 307(a)(1) of such Act.

(b) Description of Functions.—The functions to which subsection (a) applies are the following:

(1) Depot level maintenance of mission-essential materiel at the following activities of the Army:

Anniston Army Depot, Anniston, Alabama.
Corpus Christi Army Depot, Corpus Christi, Texas.
Crane Army Ammunition Plant, Crane, Indiana.
Fort Wingate Army Depot, Gallup, New Mexico.
Letterkenny Army Depot, Letterkenny, Pennsylvania.
Lexington-Blue Grass Army Depot, Lexington, Kentucky.
McAlester Army Ammunition Plan, McAlester, Oklahoma.
New Cumberland Army Depot, Harrisburg, Pennsylvania.
Pueblo Army Depot, Pueblo, Colorado.
Red River Army Depot, Texarkana, Texas.
Rock Island Arsenal, Rock Island, Illinois.
Sacramento Army Depot, Sacramento, California.
Savanna Army Depot, Savanna, Illinois.
Seneca Army Depot, Romulus, New York.
Sharpe Army Depot, Stockton, California.
Sierra Army Depot, Herlong, California.
Tobyhanna Army Depot, Tobyhanna, Pennsylvania.
Tooele Army Depot, Tooele, Utah.
Umatilla Army Depot, Umatilla, Oregon.
Watervliet Arsenal, Watervliet, New York.

(2) Depot-level maintenance of mission-essential materiel at the following activities of the Navy:

Naval Air Rework Facility, Alameda, California.
Naval Air Rework Facility, Cherry Point, North Carolina.
Naval Air Rework Facility, Jacksonville, Florida.
Naval Air Rework Facility, Norfolk, Virginia.
Naval Air Rework Facility, Pensacola, Florida.
Naval Air Rework Facility, North Island, San Diego, California.
Naval Aviation Supply Office, Philadelphia, Pennsylvania.
Naval Construction Battalion Center, Davisville, Rhode Island.
Naval Construction Battalion Center, Gulfport, Mississippi.
Naval Construction Battalion Center, Port Hueneme, California.
Naval Electronics Systems Engineering Center, San Diego, California.
Naval Ordnance Station, Indian Head, Maryland.
Naval Ordnance Station, Louisville, Kentucky.
Naval Shipyard, Charleston, South Carolina.
Naval Shipyard, Norfolk, Virginia.
Naval Shipyard, Long Beach, California.
Naval Shipyard, Mare Island, California.
Naval Shipyard, Philadelphia, Pennsylvania.
Naval Shipyard, Portsmouth, Kittery, Maine.
Naval Shipyard, Pearl Harbor, Hawaii.

Naval Shipyard, Puget Sound, Bremerton, Washington.

Naval Ship Repair Facility, Guam.

Naval Supply Center, Charleston, South Carolina.

Naval Supply Center, Jacksonville, Florida.

Naval Supply Center, Norfolk, Virginia.

Naval Supply Center, Oakland, California.

Naval Supply Center, Pearl Harbor, Hawaii.

Naval Supply Center, Puget Sound, Bremerton, Washington.

Naval Supply Center, San Diego, California.

Naval Undersea Warfare Engineering Station, Keyport, Washington.

Naval Weapons Station, Charleston, South Carolina.

Naval Weapons Station, Colts Neck, Earle, New Jersey.

Naval Weapons Station, Concord, California.

Naval Weapons Station, Seal Beach, California.

Naval Weapons Station, Yorktown, Virginia.

Naval Weapons Station, Crane, Indiana.

Navy Ships Parts Control Center, Mechanicsburg, Pennsylvania.

TRIDENT Refit Facility, Bangor, Bremerton, Washington.

(3) Depot-level maintenance of mission-essential materiel at the following activities of the Marine Corps:

Marine Corps Logistics Base, Albany, Georgia.

Marine Corps Logistics Base, Barstow, California.

(4) Depot-level maintenance of mission-essential materiel at the following activities of the Air Force:

Aerospace Guidance and Metrology Center, Newark Air Force Station, Ohio.

Ogden Air Logistics Center, Hill Air Force Base, Utah.

Oklahoma City Air Logistics Center, Tinker Air Force Base, Oklahoma.

Sacramento Air Logistics Center, McClellan Air Force Base, California.

San Antonio Air Logistics Center, Kelly Air Force Base, Texas.

Warner Robins Air Logistics Center, Robins Air Force Base, Georgia.

(5) Depot-level maintenance of mission-essential equipment at the following activities of the Defense Logistics Agency:

Defense Construction Supply Center, Columbus, Ohio.

Defense Depot Mechanicsburg, Mechanicsburg, Pennsylvania.

Defense Depot Memphis, Memphis, Tennessee.

Defense Depot Ogden, Ogden, Utah.

Defense Depot Tracy, Tracy, California.

Defense Electronics Supply Center, Dayton, Ohio.

Defense General Supply Center, Richmond, Virginia.

Defense Industrial Plant Equipment Center, Memphis, Tennessee.

Defense Industrial Supply Center, Philadelphia, Pennsylvania.

Defense Logistics Service Center, Battle Creek, Michigan.

Defense Subsistence Office, Bayonne, New Jersey.

(6) Depot-level maintenance of mission-essential materiel at the following activities of the Defense Mapping Agency:

Aerospace Center, Kansas City Field Office, Kansas City, Missouri.

Aerospace Center, St. Louis AFS, Missouri.

Office of Distribution Services, Brookmont, Maryland.

Office of Distribution Services, Clearfield, Utah.

Office of Distribution Services, Philadelphia, Pennsylvania.

(c) MATTERS INCLUDED WITHIN SPECIFIED FUNCTIONS.—The functions described in subsection (b) include—

(1) the facilities and equipment at the activities listed in that subsection; and

(2) the Government personnel who manage and perform the work at those activities.

(d) EXCLUSION OF CERTAIN FUNCTIONS.—Subsection (b) does not include any function that on the date of the enactment of this Act—

(1) is being performed under contract by non-Government personnel; or

(2) has been announced to Congress for review for conversion to performance by non-Government personnel under Office of Management and Budget Circular A-76.

(e) DEFINITION.—For the purposes of this section, the term "mission-essential materiel" means all materiel which is authorized and available to combat, combat support, combat service support, and combat readiness training forces to accomplish their assigned mission.

(f) TECHNICAL AMENDMENT.—Section 307(b)(4) of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2515), is amended by striking out "30-day period" and inserting in lieu thereof "20-day period".

SEC. 1232. ONE-YEAR EXTENSION OF PROHIBITION ON CONTRACTING FOR THE PERFORMANCE OF FIREFIGHTING AND SECURITY FUNCTIONS

(a) EXTENSION OF PROHIBITION.—Section 1221(a) of the Department of Defense Authorization Act, 1984 (Public Law 98-94; 97 Stat. 691), is amended by striking out "October 1, 1985" and inserting in lieu thereof "October 1, 1986".

(b) REPORT.—(1) The Secretary of Defense shall submit to Congress a written report containing—

(A) an assessment of the special needs of the Department of Defense with respect to firefighting and base security; and

(B) an assessment of how those needs are met by both Federal employees and contract personnel.

(2) The report shall be prepared in consultation with the Administrator of the United States Fire Administration of the Federal Emergency Management Agency and shall include the comments of the Administrator on the report.

(3) The report shall be submitted not later than March 1, 1986.

SEC. 1233. SERVICES AND ACTIVITIES TO BE PERFORMED BY NON-GOVERNMENT PERSONNEL

The Secretary of Defense shall take such action as may be necessary to ensure that, in each case in which it has been determined in accordance with law that performance of a service or activity by non-Government personnel would be cost effective and in the best interests of national security, such service or activity is performed by non-Government personnel.

SEC. 1234. INCREASE IN THRESHOLDS APPLICABLE TO STATUTORY CONTRACTING-OUT PROCEDURES

(a) INCREASE IN NUMBERS.—Section 502 of the Department of Defense Authorization Act, 1981 (10 U.S.C. 2304 note), is amended—

(1) in subsection (a)(2)(D)(i), by striking out "50 employees" and inserting in lieu thereof "75 employees"; and

(2) in subsection (d), by striking out "10 or fewer" and inserting in lieu thereof "40 or fewer".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on January 1, 1986.

PART D—ECONOMY AND EFFICIENCY

SEC. 1241. FLEXTIME FOR FEDERAL CONTRACTOR EMPLOYEES

(a) AMENDMENTS TO CONTRACT WORK HOURS AND SAFETY STANDARDS ACT.—(1) Subsection (a) of section 102 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 328(a)) is amended to read as follows:

"(a) Notwithstanding any other provision of law, the wages of every laborer and mechanic employed by any contractor or subcontractor in his performance of work on any contract of the character specified in section 103 shall be computed on the basis of a standard workweek of forty hours, and work in excess of such standard workweek shall be permitted subject to provisions of this section. For each workweek in which any such laborer or mechanic is so employed such wages shall include compensation, at a rate not less than one and one-half times the basic rate of pay, for all hours worked in excess of forty hours in the workweek.".

(2) Section 102(b) of such Act is amended—

(A) by striking out "eight hours in any calendar day or in excess of" in paragraph (1); and

(B) by striking out "eight hours or in excess of" in paragraph (2).

(b) AMENDMENT TO WALSH-HEALEY ACT.—Subsection (c) of the first section of the Act entitled "An Act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes" (41 U.S.C. 35(c)), commonly known as the Walsh-Healey Act, is amended by striking out "eight hours in any one day or in excess of".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 1986.

SEC. 1242. PROHIBITION ON ESTABLISHMENT OF PAY RATES FOR PREVAILING RATE EMPLOYEES OF THE DEPARTMENT OF DEFENSE USING SURVEYS OF WAGES PAID OUTSIDE THE LOCAL WAGE AREA

(a) AMENDMENT TO SECTION 5343 OF TITLE 5, U.S.C.—Paragraph (2) of section 5343(d) of title 5, United States Code, is amended to read as follows:

"(2) When the lead agency determines that there is a number of comparable positions in private industry insufficient to establish the wage schedules and rates, such agency shall—

"(A) establish the wage schedules and rates to be applicable to prevailing rate employees other than prevailing rate employees of the Department of Defense on the basis of—

"(i) local private industry rates; and

"(ii) rates paid for comparable positions in private industry in the nearest wage area that such agency determines is most similar in the nature of its population, employment, manpower, and industry to the local wage area for which the wage survey is being made; and

"(B) establish the wage schedules and rates to be applicable to prevailing rate employees of the Department of Defense only on the basis of local private industry rates.".

(b) PROHIBITION ON REDUCTION OF PAY.—The rate of pay payable to a prevailing rate employee employed by the Department of Defense on the day before the date of enactment of this Act may not be reduced by reason of the amendment made by subsection (a).

TITLE XIII—TECHNICAL AND CLERICAL AMENDMENTS

SEC. 1301. ELIMINATION OF CERTAIN STATUTORY GENDER-BASED DISTINCTIONS

(a) GENERAL MILITARY LAW.—(1) Section 772(c) of such title is amended by striking out the second sentence.

(2) Section 1431(b)(3) of title 10, United States Code, is amended by striking out "widow" and inserting in lieu thereof "surviving spouse".

(b) ARMY.—(1)(A) Section 3683 of title 10, United States Code, is repealed.

(B) The table of sections at the beginning of chapter 353 of such title is amended by striking out the item relating to section 3683.

(C) The repeal made by subparagraph (A) shall not apply in the case of a person who performed active service described in section 3683 of title 10, United States Code, as such section was in effect on the day before the date of the enactment of this Act.

(2)(A) Section 3963 of such title is repealed.

(B) The table of sections at the beginning of chapter 369 of such title is amended by striking out the item relating to section 3963.

(C) The repeal made by subparagraph (C) shall not apply in the case of a member of the Regular Army described in section 3963 of title 10, United States Code, as such section was in effect on the day before the date of the enactment of this Act.

(3)(A) Section 4309(b) of such title is amended by striking out "males" and inserting in lieu thereof "persons".

(B) Section 4313(a) of such title is amended by striking out "man" and inserting in lieu thereof "competitor".

(C) Section 4651 of such title is amended by striking out "male".

(4)(A) Section 4712(d) of such title is amended by striking out clauses (1) through (9) and inserting in lieu thereof the following:

"(1) The surviving spouse or legal representative.
"(2) A child of the deceased.
"(3) A parent of the deceased.
"(4) A brother or sister of the deceased.
"(5) The next-of-kin of the deceased.
"(6) A beneficiary named in the will of the deceased.".

(B) Section 4713(a)(2) of such title is amended by striking out clauses (A) through (I) and inserting in lieu thereof the following:

"(A) The surviving spouse or legal representative.
"(B) A child of the deceased.
"(C) A parent of the deceased.
"(D) A brother or sister of the deceased.
"(E) The next-of-kin of the deceased.
"(F) A beneficiary named in the will of the deceased.".

(c) NAVY.—(1) Section 6160(a) of title 10, United States Code, is amended by striking out "enlisted man" and inserting in lieu thereof "enlisted member".

(2) Section 6964(e) of such title is amended by striking out "men" and inserting in lieu thereof "persons".

(3)(A) Section 7601(a) of such title is amended by striking out "widows" and inserting in lieu thereof "widows and widowers".

(B) The heading of such section is amended to read as follows:

"§ 7601. Sales: members of the naval service and Coast Guard; widows and widowers; civilian employees and other persons".

(C) The item relating to section 7601 in the table of sections at the beginning of chapter 651 of such title is amended to read as follows:

"7601. Sales: members of the naval service and Coast Guard; widows and widowers; civilian employees and other persons.".

(d) AIR FORCE.—(1)(A) Section 8683 of title 10, United States Code, is repealed.

(B) The table of sections at the beginning of chapter 853 of such title is amended by striking out the item relating to section 8683.

(C) The repeal made by subparagraph (A) shall not apply in the case of a person who performed active service described in section 8683 of title 10, United States Code, as such section was in effect on the day before the date of the enactment of this Act.

(2)(A) Section 8963 of such title is repealed.

(B) The table of sections at the beginning of chapter 869 of such title is amended by striking out the item relating to section 8963.

(C) The repeal made by subparagraph (A) shall not apply in the case of an Air Force nurse or medical specialist described in section 8963 of title 10, United States Code, as such section was in effect on the day before the date of the enactment of this Act.

(3) Section 9651 of such title is amended by striking out "male".

(4)(A) Section 9712(d) of such title is amended by striking out clauses (1) through (9) and inserting in lieu thereof the following:

"(1) The surviving spouse or legal representative.
"(2) A child of the deceased.
"(3) A parent of the deceased.

"(4) A brother or sister of the deceased.

"(5) The next-of-kin of the deceased.

"(6) A beneficiary named in the will of the deceased.".

(B) Section 9713(a)(2) of such title is amended by striking out clauses (A) through (I) and inserting in lieu thereof the following:

"(A) The surviving spouse or legal representative.

"(B) A child of the deceased.

"(C) A parent of the deceased.

"(D) A brother or sister of the deceased.

"(E) The next-of-kin of the deceased.

"(F) A beneficiary named in the will of the deceased.".

(e) WORLD WAR II ERA ARMY NURSES.—(1) The Act entitled "An Act to authorize temporary appointment as officers in the Army of the United States of members of the Army Nurse Corps, female persons having the necessary qualifications for appointment in such corps, female dietetic and physical-therapy personnel of the Medical Department of the Army (exclusive of students and apprentices), and female persons having the necessary qualifications for appointment in such department as female dietetic or physical-therapy personnel, and for other purposes", approved June 22, 1944 (58 Stat. 324; 50 U.S.C. App. 1591 et seq.), is repealed.

(2) The repeal made by paragraph (1) shall not apply in the case of any person appointed and assigned under the first section of the Act repealed by such paragraph, as such Act was in effect on the day before the date of the enactment of this Act.

(f) SOLDIERS' AND AIRMEN'S HOME.—The first sentence of section 4 of the Act entitled "An Act prescribing regulations for the Soldiers' Home located at Washington, in the District of Columbia, and for other purposes", approved March 3, 1883 (24 U.S.C. 52), is amended—

(1) by striking out "wife" both places it appears and inserting in lieu thereof "spouse"; and

(2) by striking out "his" and inserting in lieu thereof "such".

(g) DEPENDENTS OF PERSONS MISSING IN ACTION.—Section 551(1)(A) of title 37, United States Code, is amended by striking out "wife" and inserting in lieu thereof "spouse".

SEC. 1302. TECHNICAL AMENDMENTS RELATING TO BENEFITS FOR CERTAIN DIA PERSONNEL

(a) CIVILIAN EMPLOYEES.—(1) Section 192 of title 10, United States Code, is transferred to the end of chapter 83 of such title, redesignated as section 1605, and amended—

(A) in subsections (a) and (b), by striking out "Director of the Defense Intelligence Agency, on behalf of the Secretary of Defense," and inserting in lieu thereof "Secretary of Defense";

(B) in subsection (a)—

(i) by striking out "military and";

(ii) by striking out "under sections 903, 705, and 2308" and inserting in lieu thereof "sections 705 and 903";

(iii) by striking out "22 U.S.C. 4025;"; and

(iv) by striking out "; 22 U.S.C. 4083" and all that follows in such subsection and inserting in lieu thereof ", 4025, 4083) and under section 5924(4) of title 5."; and

(C) by striking out subsection (c) and redesignating subsection (d) as subsection (c).

(2) The item relating to such section in the table of sections at the beginning of chapter 8 of such title is transferred to the end of the table of sections at the beginning of chapter 83 of such title and is amended by striking out "192" and inserting in lieu thereof "1605".

(3) Section 1603 of such title is amended by striking out "chapter" both places it appears and inserting in lieu thereof "sections 1601 and 1602 of this title".

(b) MEMBERS OF THE ARMED FORCES.—(1) Chapter 7 of title 37, United States Code, is amended by adding at the end thereof the following new section:

"§ 431. Benefits for certain members assigned to the Defense Intelligence Agency

"(a) The Secretary of Defense may provide to members of the armed forces who are assigned to Defense Attache Offices and Defense Intelligence Agency Liaison Offices outside the United States and who are designated by the Secretary of Defense for the purposes of this subsection allowances and benefits comparable to those provided by the Secretary of State to officers and employees of the Foreign Service under paragraphs (2), (3), (4), (6), (7), (8), and (13) of section 901 and sections 705 and 903 of the Foreign Service Act of 1980 (22 U.S.C. 4081 (2), (3), (4), (6), (7), (8), and (13), 4025, 4083) and under section 5924(4) of title 5.

"(b) The authority of the Secretary of Defense to make payments under subsection (a) of this section is effective for any fiscal year only to the extent that appropriated funds are available for such purpose.

"(c) Members of the armed forces may not receive benefits under both subsection (a) of this section and any other provision of this title for the same purpose. The Secretary of Defense shall prescribe such regulations as may be necessary to carry out this subsection.

"(d) Regulations prescribed pursuant to subsection (a) of this section shall be submitted to the Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives and the Committee on Armed Services and the Select Committee on Intelligence of the Senate before such regulations take effect.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"431. Benefits for certain members assigned to the Defense Intelligence Agency.".

(3) The authority of the Secretary of Defense under section 431 of title 37, United States Code, as added by paragraph (1), may be delegated in accordance with section 133(d) of title 10, United States Code.

SEC. 1303. GENERAL CLERICAL AMENDMENTS

(a) AMENDMENTS TO TITLE 10.—Title 10, United States Code, is amended as follows:

(1) Section 124(c)(2) is amended by inserting "of the Joint Chiefs of Staff" after "Chairman".

(2) Section 139b(d)(3)(B)(i) is amended by inserting "percent" before the semicolon.

(3) Section 140c(b)(1) is amended by striking out "enactment of this section" and inserting in lieu thereof "September 24, 1983".

(4)(A) Section 520b is amended by striking out "enlistments" and inserting in lieu thereof "enlistment".

(B) The item relating to such section in the table of sections at the beginning of chapter 31 is amended by striking out "enlistments" and inserting in lieu thereof "enlistment".

(5) Section 555 is amended by striking out "section 201(c)" and inserting in lieu thereof "section 201(b)".

(6) The item relating to section 1043 in the table of sections at the beginning of chapter 53 is amended by striking out "Atomospheric" and inserting in lieu thereof "Atmospheric".

(7) Section 1074a(a) is amended by striking out "prescribed by" and all that follows through "the following persons" and inserting in lieu thereof "prescribed by the administering Secretaries, the following persons".

(8) Section 1085 is amended by indenting the first line of the text of the section.

(9) Section 1437(c)(3)(A) is amended by striking out "(notwithstanding section 144 of this title)".

(10) Section 1440 is amended by striking out "section 1437(c)(3)" and inserting in lieu thereof "section 1437(c)(3)(B)".

(11) Section 1450 is amended—

(A) by striking out "subsection (1)" in subsection (i) and inserting in lieu thereof "subsection (1)(3)(B)"; and

(B) by striking out "(notwithstanding subsection (h))" in subsection (l)(3)(A).

(12) Section 1489(a) is amended by striking out "Armed Forces" and inserting in lieu thereof "armed forces".

(13) Section 2304(a)(1)(B) is amended by striking out "krocedures" and inserting in lieu thereof "procedures".

(14) Paragraph (5) of section 2305(b) is reset full measure.

(15) Section 2306 is amended—

(A) by adding a period at the end of subsection (a); and

(B) by striking out "of this title" in subsection (b).

(16) Section 2310 is amended by inserting "this" after "2305 of".

(17) The heading of section 2691 is amended to read as follows:

"§ 2691. Restoration of land used by permit or lease from other agencies".

(18) Section 2821(b) is amended by striking out "paragraph" before the period at the end and inserting in lieu thereof "subsection".

(19) Section 2852 is amended by striking out "section 3324(a) and (b)" and inserting in lieu thereof "subsections (a) and (b) of section 3324".

(20)(A) Section 3843(b) is amended by striking out "after July 1, 1960,".

(B) Sections 3848(a), 3851(a), and 3852 are amended by striking out "After July 1, 1960, each" and inserting in lieu thereof "Each".

(21) Section 5985 is amended by striking out "the Act of March 4, 1911, ch. 265, 36 Stat. 1353, as amended," and inserting in lieu thereof "section 1304 of the Merchant Marine Act, 1936 (46 U.S.C. App. 1295c),".

(22) Section 6148 is amended by redesignating subsection (e) as subsection (d).

(23) Section 7204(a) is amended—

(A) by running "contribute, out of" in after "Secretary of the Navy may";

(B) by aligning clauses (1) through (4) so as to be cut in two ems; and

(C) by aligning the matter after clause (4) flush with the margin.

(24)(A) The heading of section 7309 is amended by striking out the fifth word.

(B) The item relating to that section in the table of sections at the beginning of chapter 633 is amended by striking out the fifth word.

(25) Section 7431(c) is amended—

(A) by striking out "the" at the beginning of paragraphs (1), (2), and (3) and inserting in lieu thereof "The";

(B) by striking out the semicolons at the end of paragraphs (1), (2), and (3) and inserting in lieu thereof periods;

(C) by striking out "a summary" at the beginning of paragraph (4) and inserting in lieu thereof "A summary";

(D) by striking out "; and" at the end of paragraph (4) and inserting in lieu thereof a period; and

(E) by striking out "such" at the beginning of paragraph (5) and inserting in lieu thereof "Such".

(26) The item relating to section 8202 in the table of sections at the beginning of chapter 831 is amended to read as follows:

"8202. Air Force: strength in grade; general officers.".

(27)(A) Section 8848(a) is amended by striking out "After June 30, 1960, each" and inserting in lieu thereof "Each".

(B) Sections 8851(a) and 8852(a) are amended by striking out "After June 30, 1960, except" and inserting in lieu thereof "Except".

(28) Section 9441(b) is amended by striking out "and" at the end of clause (8).

(b) AMENDMENTS TO TITLE 37.—Title 37, United States Code, is amended as follows:

(1) Section 203(a) is amended by inserting "or as otherwise prescribed by law" before the period.

(2) Section 301(c)(1) is amended by striking out the first comma after "(10)".

(3) Sections 308g(f) and 308h(e) are amended by striking out "the date of the enactment of the Department of Defense Authorization Act, 1984" and inserting in lieu thereof "September 24, 1983".

(4) Section 312b(c) is amended by striking out "make an annual report to the House and Senate Armed Services Committees" and inserting in lieu thereof "submit to the Committees on Armed Services of the Senate and House of Representatives an annual report".

(5) Section 402(b) is amended by inserting "or as otherwise prescribed by law" before the period at the end of the fourth sentence.

(6) Section 403(a) is amended by inserting "or as otherwise prescribed by law" after "of this title".

(7) The table of sections at the beginning of chapter 7 is amended—

(A) by striking out the semicolon in the item relating to section 404 and inserting in lieu thereof a colon;

(B) by striking out the item relating to section 405a and inserting in lieu thereof the following:

"405a. Travel and transportation allowances: departure allowances."; and

(C) by striking out the item relating to section 425 and inserting in lieu thereof the following:

"425. United States Navy Band; United States Marine Band: allowances while on concert tour.".

(8) The heading of section 405 is amended to read as follows:

"§405. Travel and transportation allowances: per diem while on duty outside the United States or in Hawaii or Alaska".

(9) Section 406(k) is amended by striking out "to carry out subsection (b)" and inserting in lieu thereof "for providing transportation of household effects of members of the armed forces under subsection (b)".

(10) Section 429 is amended by inserting "(20 U.S.C. 921 et seq.)" after "Defense Dependents' Education Act of 1978".

(11) Section 557(c) is amended by inserting "of this title" after "section 558" both places it appears.

(12) Section 1006(h) is amended by striking out "section 3324 (a) and (b)" and inserting in lieu thereof "subsections (a) and (b) of section 3324".

(13)(A) Section 1012 is amended—

(i) by striking out "under sections 206 (a), (b), and (d), 301(f), 309, 402(b) (last sentence), and 1002 of this title for pay" and inserting in lieu thereof "for the pay, under subsections (a), (b), and (d) of section 206, section 301(f), the last sentence of section 402(b), and section 1002 of this title,";

(ii) by striking out "Disbursements" and inserting in lieu thereof "All such disbursements"; and

(iii) by striking out "under the" and inserting in lieu thereof "as prescribed in those".

(B) The heading of that section is amended to read as follows:

"§1012. Disbursement and accounting: pay of enlisted members of the National Guard".

(C) The item relating to that section in the table of sections at the beginning of chapter 19 is amended to read as follows:

"1012. Disbursement and accounting: pay of enlisted members of the National Guard.".

(D) The amendments made by this paragraph shall take effect as if included in the enactment of section 2(i) of Public Law 97-258.

SEC. 1304. CLERICAL AMENDMENTS TO FEDERAL PROCUREMENT LAW

(a) DEFENSE PROCUREMENT LAW.—Chapter 138 of title 10, United States Code, is amended as follows:

(1) Sections 2321, 2322, 2323 (as amended by section 1171), 2324, 2325, 2326, 2327, and 2328 are redesignated as sections 2341 through 2348, respectively.

(2) Section 2329 is repealed.

(3) Sections 2330 and 2331 are redesignated as sections 2349 and 2350, respectively.

(4) Sections 2341 and 2342 (as so redesignated) are amended by striking out "section 2323" and inserting in lieu thereof "section 2343".

(5) Section 2323 (as so redesignated) is amended—

(A) by striking out "section 2321" both places it appears and inserting in lieu thereof "section 2341"; and

(B) by striking out "section 2322" both places it appears and inserting in lieu thereof "section 2342".

(6) The table of sections at the beginning of such chapter is amended—

(A) by striking out the item relating to section 2329; and

(B) by redesignating the remaining items in the table to reflect the redesignations made by paragraphs (1) and (3).

(b) CONFORMING AMENDMENT.—Section 2213(e)(2) of such title is amended by striking out "section 2331" and inserting in lieu thereof "section 2350".

(c) CIVILIAN AGENCY PROCUREMENT.—The Federal Property and Administrative Services Act of 1949 is amended as follows:

(1) Section 111(h)(3)(A) (40 U.S.C. 759(h)(3)(A)) is amended by striking out "Board" and inserting in lieu thereof "board".

(2) Section 303(f)(1)(C) (41 U.S.C. 253(f)(1)(C)) is amended by striking out "Any" and inserting in lieu thereof "any".

(3) Section 303(g)(1) (41 U.S.C. 253(g)(1) is amended by inserting a comma after "1984".

(4)(A) Sections 303D, 303E, 303F, 303G, and 303H (as added by title II of the Small Business and Federal Procurement Competition Enhancement Act of 1984 (Public Law 98-577)) are redesignated as sections 303C, 303D, 303E, 303F, and 303G, respectively.

(B) The items relating to those sections in the table of contents for such Act are redesignated to reflect the redesignations by subparagraph (A).

(d) MILITARY AND CIVILIAN PROCUREMENT.—Section 3551(1) of title 31, United States Code, is amended by striking out "executive agency" and inserting in lieu therof "Federal agency".

TITLE XIV—GENERAL PROVISIONS

PART A—FINANCIAL MATTERS

SEC. 1401. TRANSFER AUTHORITY

(a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1) Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this Act

between any such authorizations (or any subdivisions thereof). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) The total amount of authorizations that the Secretary of Defense may transfer under the authority of this section may not exceed $2,000,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) NOTICE TO CONGRESS.—The Secretary of Defense shall promptly notify Congress of transfers made under the authority of this section.

SEC. 1402. AUTHORIZATION OF TRANSFERS FOR FY85 PAY SUPPLEMENTAL

There is authorized to be transferred to, and merged with, amounts appropriated to the Department of Defense for operation and maintenance and for military personnel for fiscal year 1985 such sums as may be necessary to provide for civilian and military pay raises provided by law. Such amounts shall be derived from amounts previously appropriated to the Department of Defense remaining available for obligation and no longer required for the purposes for which they were originally provided. Transfers authorized by this section may be made only to the extent provided in appropriation Acts.

SEC. 1403. SPECIAL DEFENSE ACQUISITION FUND

Section 138(g) of title 10, United States Code, is amended by striking out "$300,000,000" and all that follows and inserting in lieu thereof "$1,000,000,000.".

SEC. 1404. REVISIONS TO DEFENSE BUDGET PLAN

(a) REVISED PLANS.—The Secretary of Defense shall submit to Congress a report containing—

(1) a budget plan for the Department of Defense for fiscal years 1987 through fiscal year 1990 in which the total amount of new budget authority proposed for the Department for each fiscal year is not more than three percent over the amount of new budget authority proposed for that Department for the previous fiscal year, adjusted for the official inflation projection for the fiscal year concerned; and

(2) a second budget plan for the Department for the fiscal years referred to in clause (1) in which the total amount of new budget authority proposed for the Department for each fiscal year is not more than the amount of new budget authority proposed for that Department for the previous fiscal year, adjusted for the official inflation projection for the fiscal year concerned.

(b) BASELINE.—The budget plans required by subsection (a) shall be based on the levels of authorizations of appropriations for the Department of Defense for fiscal year 1986 provided by this and any other Act.

(c) Matters To Be Included.—The plans included in the report under subsection (a) shall include the following:

(1) A single amount for the amount of new budget authority proposed for each appropriation account of the Department of Defense, except that the amount of such new budget authority for the procurement appropriation accounts shall be shown at the budget-activity level.

(2) The annual procurement plan for each of the fiscal years covered for each major defense acquisition program, as defined in section 139a(a) of title 10, United States Code.

(d) Deadline for Submission.—The report required by subsection (a) shall be submitted not later than 60 days after the date of the enactment of this Act.

SEC. 1405. TWO-YEAR BUDGET CYCLE FOR THE DEPARTMENT OF DEFENSE

(a) Findings.—The Congress finds that the programs and activities of the Department of Defense could be more effectively and efficiently planned and managed if funds for the Department were provided on a two-year cycle rather than annually.

(b) Requirement for Two-Year Budget Proposal.—The President shall include in the budget submitted to the Congress pursuant to section 1105 of title 31, United States Code, for fiscal year 1988 a single proposed budget for the Department of Defense and related agencies for fiscal years 1988 and 1989. Thereafter, the President shall submit a proposed two-year budget for the Department of Defense and related agencies every other year.

(c) Report.—Not later than April 1, 1986, the Secretary of Defense shall submit to the Committees on Armed Services and on Appropriations of the Senate and House of Representatives a report containing the Secretary's views on the following:

(1) The advantages and disadvantages of operating the Department of Defense and related agencies on a two-year budget cycle.

(2) The Secretary's plans for converting to a two-year budget cycle.

(3) A description of any impediments (statutory or otherwise) to converting the operations of the Department of Defense and related agencies to a two-year budget cycle beginning with fiscal year 1988.

SEC. 1406. REPORT ON BUDGETING FOR INFLATION

(a) Report on Savings From Lower Inflation.—Not later than 60 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report containing an explanation of what the Department of Defense does in any fiscal year with funds that are not expended as a result of a decrease in the anticipated rate of inflation during that year.

(b) Proposals For New Budget System For Inflation Allowance.—The Secretary shall include in the report under subsection (a) a proposal, or alternative proposals, for a budget system under which—

(1) funds that are appropriated to the Department of Defense for any fiscal year for procurement or for research, development, test, and evaluation would be appropriated to the Department

without the addition of an amount for anticipated inflation during such fiscal year; and

(2) requests would be made to Congress at the end of the fiscal year for any additional funds made necessary by reason of inflation during the fiscal year.

(c) RECOMMENDATIONS.—The Secretary shall include in such report—

(1) the Secretary's recommendations for procedures that would effectively implement a proposal submitted under subsection (b); and

(2) a discussion of the advantages and disadvantages of instituting such a proposal, together with any other comments and recommendations that the Secretary considers appropriate.

SEC. 1407. REPORT OF UNOBLIGATED BALANCES

(a) REQUIRED REPORTS.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives reports containing an estimate of the amount of funds in each appropriation account of the Department of Defense that at the time of the report—

(1) is available for obligation; and

(2) is in excess of the amount needed to carry out the programs for which the funds were appropriated.

(b) MATTERS TO BE INCLUDED.—Each estimate under subsection (a) shall include amounts attributable to—

(1) inflation savings;

(2) foreign currency savings;

(3) excess working capital fund cash; and

(4) all other savings.

(c) UNANTICIPATED INCREASES.—The report shall also identify unanticipated cost increases resulting from adverse economic trends.

(d) SUBMISSION OF REPORT.—The reports shall be submitted to Congress each year with the President's budget for the next fiscal year, with the April Budget Update, and with the Mid-session Budget Review. However, the first such report shall be submitted not later than 30 days after the date of the enactment of this Act.

SEC. 1408. AUTHORIZATION OF APPROPRIATIONS FOR PURCHASE OF FOREIGN CURRENCIES

There is hereby authorized to be appropriated for fiscal year 1986 the amount of $2,100,000 for the purchase of foreign currencies from the Treasury Department to pay expenses incurred in carrying out programs of the Department of Defense.

PART B—CHEMICAL WEAPONS

SEC. 1411. CONDITIONS ON SPENDING FUNDS FOR BINARY CHEMICAL MUNITIONS

(a) LIMITATION ON FY86 FUNDS.—Funds appropriated pursuant to authorizations of appropriations in title I may not be used—

(1) for procurement or assembly of binary chemical munitions (or components of such munitions); or

(2) for establishment of production facilities necessary for procurement or assembly of binary chemical munitions (or components of such munitions),

except in accordance with subsections (b) and (c).

(b) NATO CONSULTATION.*—Subject to subsection (c), funds referred to in subsection (a) may be used for procurement or assembly of binary chemical munitions or for the establishment of production facilities necessary for the procurement or assembly of binary chemical munitions (or components of such munitions) if the President certifies to Congress that the United States—*

(1) has developed a plan under which United States binary chemical munitions can be deployed under appropriate contingency plans to deter chemical weapons attacks against the United States and its allies; and

(2) has consulted with other member nations of the North Atlantic Treaty Organization (NATO) on that plan.

A plan under clause (1) shall be developed in cooperation with the Supreme Allied Commander, Europe.

(c) CONDITIONS FOR FINAL ASSEMBLY.*—Funds referred to in subsection (a) may not be used for the final assembly of complete binary chemical munitions before October 1, 1987, and may only be used for such purpose on or after that date if—*

(1) a mutually verifiable international agreement concerning binary and other similar chemical munitions has not been entered into by the United States by that date;

(2) the President, after that date, transmits to Congress a certification that—

(A) final assembly of such complete munitions is necessitated by national security interests of the United States and the interests of other NATO member nations;

(B) performance specifications and handling and storage safety specifications established by the Department of Defense with respect to such munitions will be met or exceeded;

(C) applicable Federal safety requirements will be met or exceeded in the handling, storage, and other use of such munitions; and

(D) the plan of the Secretary of Defense for destruction of existing United States chemical warfare stocks developed pursuant to section 1412 (which shall, if not sooner transmitted to Congress, accompany such certification) is ready to be implemented;

(3) final assembly is carried out only after the end of the 60-day period beginning on the date such certification is received by the Congress;

(4) the plan of the Secretary of Defense for land-based storage of such munitions within the United States during peacetime provides that the two components that constitute a binary chemical munition are to be stored in separate States; and

(5) the plan of the Secretary of Defense for the transportation of such munitions within the United States during peacetime provides that the two components that constitute a binary munition are transported separately.

(d) SENSE OF CONGRESS.*—It is the sense of Congress that existing unitary chemical munitions currently stored in the United States*

and in European member nations of NATO should be replaced by modern, safer binary chemical munitions.

(e) Report.—Not later than October 1, 1986, the President shall submit to Congress a report describing the results of consultations among NATO member nations concerning the organization's chemical deterrent posture. The report shall include descriptions of any consultations concerning—

(1) efforts to provide key civilian workers at military support facilities in Europe—

(A) with personal and collective equipment to protect against the use of chemical munitions; and

(B) with the training required for the use of such equipment;

(2) efforts to upgrade the chemical reconnaissance, decontamination, and protective capabilities of the military forces of each NATO member nation to a level adequate to meet the chemical threat identified in NATO intelligence estimates;

(3) efforts to initiate a NATO-wide study of measures required to protect ports, airfields, logistics centers, and command and control facilities in European member nations of NATO against chemical attack; and

(4) efforts to initiate a NATO-wide study of equitable and efficient sharing among NATO member nations of responsibilities with regard to deterring the use of chemical munitions in Europe.

SEC. 1412. DESTRUCTION OF EXISTING STOCKPILE OF LETHAL CHEMICAL AGENTS AND MUNITIONS

(a) In General.—(1) Notwithstanding any other provision of law, the Secretary of Defense (hereinafter in this section referred to as the "Secretary") shall, in accordance with the provisions of this section, carry out the destruction of the United States' stockpile of lethal chemical agents and munitions that exists on the date of the enactment of this Act.

(2) Such destruction shall be carried out in conjunction with the acquisition of binary chemical weapons for use by the Armed Forces.

(b) Date for Completion.—(1) Except as provided by paragraphs (2) and (3), the destruction of such stockpile shall be completed by September 30, 1994.

(2) If a treaty banning the possession of chemical agents and munitions is ratified by the United States, the date for completing the destruction of the United States' stockpile of such agents and munitions shall be the date established by such treaty.

(3)(A) In the event of a declaration of war by the Congress or of a national emergency by the President or the Congress or if the Secretary of Defense determines that there has been a significant delay in the acquisition of an adequate number of binary chemical weapons to meet the requirements of the Armed Forces (as defined by the Joint Chiefs of Staff as of September 30, 1985), the Secretary may defer, beyond September 30, 1994, the destruction of not more than 10 percent of the stockpile described in subsection (a)(1).

(B) The Secretary shall transmit written notice to the Congress of any deferral made under subparagraph (A) within 30 days after the

date on which the determination to defer is made or by August 31, 1994, whichever is earlier.

(c) Environmental Protection and Use of Facilities.—(1) In carrying out the requirement of subsection (a)(1), the Secretary shall provide for—

(A) maximum protection for the environment, the general public, and the personnel who are involved in the destruction of the lethal chemical agents and munitions referred to in subsection (a); and

(B) adequate and safe facilities designed solely for the destruction of lethal chemical agents and munitions.

(2) Facilities constructed to carry out this section may not be used for any purpose other than the destruction of lethal chemical weapons and munitions, and when no longer needed to carry out this section, such facilities shall be cleaned, dismantled, and disposed of in accordance with applicable laws and regulations.

(d) Plan.—(1) The Secretary shall develop a comprehensive plan to carry out this section.

(2) In developing such plan, the Secretary shall consult with the Secretary of Health and Human Services and the Administrator of the Environmental Protection Agency.

(3) The Secretary shall transmit a copy of such plan to the Congress not later than March 15, 1986.

(4) Such plan shall provide—

(A) an evaluation of the comparison of onsite destruction, regional destruction centers, and a national destruction site both inside and outside of the United States;

(B) for technological advances in techniques used to destroy chemical munitions;

(C) for the maintenance of a permanent, written record of the destruction of lethal chemical agents and munitions carried out under this section; and

(D) a description of—

(i) the methods and facilities to be used in the destruction of agents and munitions under this section;

(ii) the schedule for carrying out this section; and

(iii) the management organization established under subsection (e).

(e) Management Organization.—(1) In carrying out this section, the Secretary shall provide for the establishment, not later than May 1, 1986, of a management organization within the Department of the Army.

(2) Such organization shall be responsible for management of the destruction of agents and munitions under this section.

(3) The Secretary shall designate a general officer as the director of the management organization established under paragraph (1). Such officer shall have—

(A) experience in the acquisition, storage, and destruction of chemical agents and munitions;

(B) training in chemical warfare defense operations; and

(C) outstanding qualifications regarding safety in handling chemical agents and munitions.

(f) Identification of Funds.—Funds for carrying out this section shall be set forth in the budget of the Department of Defense for any

fiscal year as a separate account. Such funds shall not be included in the budget accounts for any military department. Funds for military construction projects necessary to carry out this section may be set out in the annual military construction budget separately from other funds for such project.

(g) Annual Report.—(1) Except as provided by paragraph (4), the Secretary shall transmit, by December 15 of each year, a report to the Congress on the activities carried out under this section during the fiscal year ending on September 30 of the calendar year in which the report is to be made.

(2) The first such report shall be transmitted by December 15, 1985, and shall contain—

(A) an accounting of the United States' stockpile of lethal chemical agents and munitions on the date of the enactment of this Act; and

(B) a schedule of the activities planned to be carried out under this section during fiscal year 1986.

(3) Each report other than the first one shall contain—

(A) a site-by-site description of the construction, equipment, operation, and dismantling of facilities (during the fiscal year for which the report is made) used to carry out the destruction of agents and munitions under this section, including any accidents or other unplanned occurrences associated with such construction and operation; and

(B) an accounting of all funds expended (during such fiscal year) for activities carried out under this section, with a separate accounting for amounts expended for—

(i) the construction of and equipment for facilities used for the destruction of agents and munitions;

(ii) the operation of such facilities;

(iii) the dismantling or other closure of such facilities;

(iv) research and development; and

(v) program management.

(4) The Secretary shall transmit the final report under this subsection not later than 120 days following the completion of activities under this section.

(h) Prohibition on Acquiring Certain Lethal Chemical Agents and Munitions.—(1) Except as provided in paragraph (2), no agency of the Federal Government may, after the date of the enactment of this Act, develop or acquire lethal chemical agents or munitions other than binary chemical weapons.

(2)(A) The Secretary of Defense may acquire any chemical agent or munition at any time for purposes of intelligence analysis.

(B) Chemical agents and munitions may be acquired for research, development, test, and evaluation purposes at any time, but only in quantities needed for such purposes and not in production quantities.

(i) Reaffirmation of United States Position On First Use of Chemical Agents and Munitions.—It is the sense of Congress that the President should publicly reaffirm the position of the United States as set out in the Geneva Protocol of 1925, which the United States ratified with reservations in 1975.

(j) Definitions.—For purposes of this section:

(1) The term "chemical agent and munition" means an agent or munition that, through its chemical properties, produces lethal or other damaging effects on human beings, except that such term does not include riot control agents, chemical herbicides, smoke and other obscuration materials.

(2) The term "lethal chemical agent and munition" means a chemical agent or munition that is designed to cause death, through its chemical properties, to human beings in field concentrations.

(3) The term "destruction" means, with respect to chemical munitions or agents—

(A) the demolishment of such munitions or agents by incineration or by any other means; or

(B) the dismantling or other disposal of such munitions or agents so as to make them useless for military purposes and harmless to human beings under normal circumstances.

(k) EFFECTIVE DATE.—The provisions of this section shall take effect on October 1, 1985.

SEC. 1413. REPORT CONCERNING THE TESTING OF CHEMICAL WARFARE AGENTS

The Secretary of Defense shall, within 90 days after the date of enactment of this Act, transmit a report to the Committees on Armed Services of the Senate and House of Representatives describing the following matters concerning the testing of diluted or undiluted chemical warfare agents:

(1) The criteria and process used for selecting sites for such testing.

(2) The nature and extent of any consultation carried out with State and local officials before the site for such testing is selected.

(3) The consideration that is given to the proximity of residential dwelling units, schools, child care centers, nursing homes, hospitals, or other health care facilities to the testing site.

(4) Whether an environmental impact statement should be required prior to the approval of a contract for such testing.

(5) Any costs that may have to be incurred by the Federal Government to assist companies that carry out such testing to relocate to more isolated areas.

(6) The degree to which the Secretary estimates that such testing will increase or decrease.

(7) Any recurring problems associated with such testing or the site selection process for such testing.

(8) Any changes in site selection process that are to be implemented by the Secretary or for which legislative action is necessary.

PART C—DRUG INTERDICTION, LAW ENFORCEMENT, AND OTHER SPECIFIC PROGRAMS

SEC. 1421. ENHANCED DRUG-INTERDICTION ASSISTANCE

(a) MANDATORY ASSIGNMENT OF COAST GUARD PERSONNEL ON NAVAL VESSELS.—The Secretary of Defense and the Secretary of Transportation shall provide that there be assigned on board each

surface naval vessel at sea in a drug-interdiction area at least one member of the Coast Guard who is trained in law enforcement and has power to arrest, search, and seize property and persons suspected of violations of law.

(b) LAW ENFORCEMENT FUNCTIONS.—Members of the Coast Guard assigned to duty on board naval vessels under this section shall perform such law enforcement functions (including drug-interdiction functions)—

(1) as may be agreed upon by the Secretary of Defense and the Secretary of Transportation; and

(2) as are otherwise within the jurisdiction of the Coast Guard.

(c) AUTHORIZATION OF NECESSARY COAST GUARD PERSONNEL; FUNDING.—(1) The active-duty military strength level for the Coast Guard for fiscal year 1986 is increased by 500. Additional members of the Coast Guard who are on active duty by reason of this subsection shall be assigned to duty as provided in subsection (a).

(2) Of the funds appropriated for operation and maintenance for the Navy for fiscal year 1986 the sum of $15,000,000 shall be transferred to the Secretary of Transportation and shall be available only for the additional personnel authorized by paragraph (1).

(d) DEFINITIONS.—For the purposes of this section:

(1) The term "drug-interdiction area" means an area outside the land area of the United States in which the Secretary of Defense (in consultation with the Attorney General) determines that activities involving smuggling of drugs into the United States are ongoing.

(2) The term "active-duty military strength level for the Coast Guard for fiscal year 1986" means the full-time equivalent strength level for active-duty military personnel of the Coast Guard for fiscal year 1986 required to be maintained by section 3 of the Coast Guard Authorization Act of 1984 (Public Law 98-557; 98 Stat. 2860).

SEC. 1422. ESTABLISHMENT, OPERATION, AND MAINTENANCE OF DRUG LAW ENFORCEMENT ASSISTANCE ORGANIZATIONS OF THE DEPARTMENT OF DEFENSE

(a) AUTHORIZATION OF FUNDS FOR ELEMENTS ASSISTING CIVILIAN DRUG INTERDICTION.—(1) There are authorized to be appropriated to the Department of Defense for fiscal year 1986 such sums as may be necessary for the establishment, operation, and maintenance of airborne surveillance, detection, and interdiction units in the Department of Defense.

(2) There are authorized to be appropriated to the Department of Defense for fiscal year 1986 such sums as may be necessary for the operation and maintenance of the Directorate of the Department of Defense Task Force on Drug Law Enforcement.

(b) COMMAND, CONTROL, AND COORDINATION.—A special operations headquarters element shall provide necessary command, control, and coordination of appropriate active or Reserve component special operations forces, combat rescue units, and other units for participation by such forces and units in drug law-enforcement assistance missions.

(c) REPORT ON PLANS TO ENHANCE COOPERATION WITH CIVILIAN DRUG ENFORCEMENT AGENCIES.—Not later than December 1, 1985,

the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the manner in which the Department of Defense plans to obligate and expend funds appropriated or expected to be appropriated pursuant to the authorizations contained in this section. The report shall include a description of—

(1) actions or proposed actions to establish, operate, and maintain Reserve component forces airborne surveillance, detection, and interdiction units, including—

(A) actions or proposed actions to consolidate or establish, in a Special Operations Wing of the Air Force (reserve or active component), command, control, and coordination of Air Force Special Operations aircraft (including aircraft assigned to the Special Operations Wing of the Regular Air Force on or before March 1, 1985); and

(B) in the case of any such aircraft which are not to remain assigned to a Special Operation Wing of the Air Force, the disposition or planned disposition of those aircraft;

(2) actions and proposed actions to use rotary-wing and fixed-wing aircraft of the Department of Defense as well as other measures necessary to furnish (commensurate with military readiness and the provisions of chapter 18 of title 10, United States Code) optimal support to civilian law enforcement agencies; and

(3) actions and proposed actions to promote dual use between the Reserve component forces and civilian law enforcement agencies of the Department of Defense aircraft and other Department of Defense resources made available to civilian law enforcement agencies for the purpose of carrying out drug interdiction missions.

SEC. 1423. MILITARY COOPERATION INFORMATION PROGRAMS FOR CIVILIAN LAW ENFORCEMENT OFFICIALS

(a) PROVISION OF LAW-ENFORCEMENT ASSISTANCE INFORMATION.—Section 373 of title 10, United States Code, is amended—

(1) by inserting "(a)" before "The"; and

(2) by adding at the end thereof the following new subsections:

"(b)(1) At least once each year, the Attorney General of the United States, in consultation with the Secretary of Defense, shall conduct a briefing of law enforcement personnel of each State, including law enforcement personnel of the political subdivisions of each State, regarding information, training, technical assistance, and equipment and facilities available to civilian law enforcement personnel from the Department of Defense.

"(2) Each briefing conducted under paragraph (1) shall include—

"(A) an explanation of the procedures for civilian law enforcement officials—

"(i) to obtain information under section 371 of this title, use of equipment and facilities under section 372 of this title, and training and advice under subsection (a); and

"(ii) to obtain surplus military equipment;

"(B) the types of information, equipment and facilities, and training and advice available to civilian law enforcement officials from the Department of Defense; and

"(C) a current, comprehensive list of military equipment which is suitable for law enforcement purposes and is available to civilian law enforcement officials from the Department of Defense or is available as surplus property from the Administrator of General Services.

"(c) The Attorney General of the United States and the Administrator of General Services shall—

"(1) establish or designate an appropriate office or offices to maintain the list described in subsection (b)(2)(C) and to furnish information to civilian law enforcement officials on the availability of surplus military equipment; and

"(2) make available to civilian law enforcement personnel nationwide, tollfree telephone communication with such office or offices.".

(b) Effective Date.—The amendments made by subsection (a) shall take effect on January 1, 1986.

SEC. 1424. STUDY ON THE USE OF THE E-2 AIRCRAFT FOR DRUG INTERDICTION PURPOSES

(a) Study by Secretary of the Navy.—The Secretary of the Navy shall conduct a test of the use of E-2 aircraft of the Navy to determine the effectiveness of that aircraft in drug interdiction. The study shall be conducted along the border between the United States and Mexico and shall be carried out over a period of six months.

(b) Collection of Data.—As part of the test, the Secretary shall collect data on the contribution on the use of the E-2 aircraft to the apprehension of drug smugglers. This data shall include the number of intercepts which resulted in apprehensions.

(c) Report.—Not later than September 30, 1986, the Secretary shall submit to Congress a report on the results of the study.

SEC. 1425. STRATEGIC BOMBER PROGRAMS

(a) Sense of Congress Regarding the Advanced Technology Bomber and the Advanced Cruise Missile.—It is the sense of Congress that—

(1) the capabilities inherent in the technologies associated with the Advanced Technology Bomber program and the Advanced Cruise Missile program are a critical national security asset for maintaining an adequate and credible deterrent posture;

(2) such technologies and programs should be developed as rapidly as feasible in order to produce and deploy advanced systems which will complicate the military planning of the Soviet Union and as a consequence enhance the deterrent posture of the United States;

(3) such technologies and programs should be funded at the levels authorized in this Act; and

(4) all the funds appropriated for such programs should be fully used for such programs.

(b) Prohibition on Use of Funds for ATB and ACM for Any Other Purpose.—None of the funds appropriated pursuant to an authorization of appropriations in this Act to carry out the Ad-

vanced Technology Bomber program or the Advanced Cruise Missile program may be used for any other purpose.

(c) SENSE OF CONGRESS ON B-1B BOMBER PROGRAM.—It is the sense of Congress that, consistent with the stated policy of the Department of Defense, the B-1B bomber aircraft procurement program should be terminated after acquisition under such program of 100 aircraft.

(d) LIMITATION ON NUMBER OF B-1B AIRCRAFT TO BE PROCURED.—None of the funds appropriated pursuant to an authorization contained in this Act may be obligated or expended for the conduct of research, design, demonstration, development, or procurement of more than 100 B-1B bomber aircraft (including any derivative or modified version of such aircraft).

SEC. 1426. RESTRICTIONS ON CERTAIN NUCLEAR PROGRAMS

(a) RESTRICTION ON FUNDING FOR MX MISSILE WARHEAD.—None of the funds appropriated pursuant to an authorization provided in this or any other Act may be obligated or expended for the production of W-87 warheads for the MX missile program in excess of the numbers of warheads required to arm the number of such missiles authorized by the Congress to be deployed and determined by the President to be necessary for quality assurance and reliability testing.

(b) EMPLOYMENT OF THE STANDARD MISSILE (SM-2(N)).—Except for the studies and report required by this section, none of the funds authorized to be appropriated by this Act may be expended for research, development, test, or procurement associated with a nuclear variant of the Standard Missile (SM-2(N)) or any associated nuclear warhead until 30 calendar days after the Secretary of the Navy submits to the Committees on Armed Services of the Senate and House of Representatives a report which includes the following information:

(1) A description of the circumstances under which the SM-2(N) would be used and an assessment of likely enemy response (including countermeasures).

(2) A description of the release procedures and circumstances under which release would be authorized for employment of the SM-2(N).

(3) An analysis of conventional alternatives to the SM-2(N), including any necessary modification to the SM-2 or alternative to the Standard Missile or warhead, and the associated costs of those alternatives.

(4) A summary of all studies previously conducted analyzing the impact of the use of nuclear naval surface-to-air missiles on our own vessels and electronics.

(5) A list of all United States ships which may receive the SM-2(N).

(6) The number of additional conventional armed missiles which could be carried by United States ships if the SM-2(N) were not deployed and the impact on fleet air defense from that reduced conventional load.

(7) Any plans or programs for the development of a nuclear naval surface-to-air or air-to-air missile for fleet defense other than the SM-2(N).

(c) REPORT ON REQUIREMENTS FOR SPECIAL NUCLEAR MATERIALS.—(1) Not later than March 1, 1986, the Secretary of Defense and the Secretary of Energy, after consultation with the Joint Chiefs of Staff and the Director of the Arms Control and Disarmament Agency, shall submit a report to the Committees on Armed Services of the Senate and House of Representatives detailing the military requirements for special nuclear materials through fiscal year 1991. The report shall include findings and recommendations concerning—

(A) requirements for production of plutonium, highly enriched uranium, and other special nuclear materials; and

(B) the recovery of special nuclear materials for military uses that have been transferred from military uses to civilian research and development uses.

(2) The report should also—

(A) address the availability of special nuclear materials to be derived from the retirement of existing nuclear weapons;

(B) address the feasibility of meeting military needs for special nuclear materials through the blending of high grade and low grade materials stocks;

(C) assess the impact of new materials separation, purification, and production technologies on nuclear proliferation; and

(D) contain the views of the Joint Chiefs of Staff and the Director of the Arms Control and Disarmament Agency.

PART D—MISCELLANEOUS REPORTING REQUIREMENTS

SEC. 1431. EXTENSION OF TIME FOR SUBMISSION OF REPORTS BY COMMISSION ON MERCHANT MARINE AND DEFENSE

Section 1536 of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2633), is amended—

(1) by striking out "on September 30, 1985, and September 30, 1986" in subsection (b) and inserting in lieu thereof "12 months after the date of the enactment of the law first providing funds for the Commission and 24 months after such date";

(2) in subsection (g)—

(A) by striking out "June 30, 1985, and June 30, 1986" and inserting in lieu thereof "nine months after the date of the enactment of the law first providing funds for the Commission and not later than 21 months after such date"; and

(B) by striking out "September 30, 1985, and September 30, 1986" and inserting in lieu thereof "12 months after such date of enactment and not later than 24 months after such date of enactment"; and

(3) by striking out "September 30, 1987" in subsection (i) and inserting in lieu thereof "September 30, 1988".

SEC. 1432. REPORT ON NAVAL SHIPBUILDING AND REPAIR BASE

(a) REQUIREMENT FOR REPORT BY SECRETARY OF THE NAVY.—The Secretary of the Navy shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the industrial base for construction, overhaul, and repair of naval vessels (hereinafter in this section referred to as the "shipyard base").

(b) Competition and Mobilization Capability.—The report shall consider the current competitive environment in the shipyard base and the current mobilization capability of the shipyard base.

(c) Study of Increase in Number of Shipyards.—(1) The report shall include an assessment of how competition in the shipyard base and the mobilization capability of the shipyard base would each be affected by an increase in the number of shipyards in the shipyard base and shall assess alternative ways of achieving such an increase.

(2) In assessing ways to increase the number of shipyards in the shipyard base, the Secretary shall consider the feasibility and desirability of expanding by one the number of shipyards currently engaged in construction of each of the following types of vessels:

(A) Trident nuclear-powered fleet ballistic missile submarines.

(B) Nuclear-powered attack submarines.

(C) Nuclear-powered aircraft carriers.

(D) Complex surface combatants.

(E) Auxiliaries.

(3) In considering ways to increase the number of shipyards constructing each type of vessel listed in paragraph (2), the Secretary shall consider expansion of the shipbuilding base on the West Coast of the United States and increased use of public shipyards.

(d) Factors in Assessment.—The assessment of the current capabilities of the shipyard base and of each alternative identified under subsection (c)—

(1) shall be made considering the requirements of both peacetime competition and wartime mobilization capability; and

(2) shall include a description of the possible costs and benefits of the current capabilities and each alternative.

(e) Deadline for Report.—The report required by subsection (a) shall be submitted not later than January 31, 1986.

SEC. 1433. NUCLEAR REACTOR COMPONENTS FOR SSN-21 CLASS SUBMARINES

Not more than one-half of the funds appropriated pursuant to authorizations of appropriations in this Act for the design or construction of nuclear reactor components for the SSN-21 class submarine may be obligated until the Secretary of the Navy submits to the Committees on Armed Services of the Senate and House of Representatives a report on the industrial base for the design and construction of nuclear components for the SSN-21 class submarine. The report shall evaluate the cost effectiveness of increasing the number of firms actively employed in the design of nuclear reactor components and the construction of nuclear reactor components.

SEC. 1434. AIRCRAFT FUEL CONSERVATION REPORT

(a) Submission of Report.—The Secretary of Defense shall submit to Congress a report with respect to efforts by the Department of Defense since 1981 to reduce the use of fuel by military aircraft—

(1) during takeoffs; and

(2) in other situations in which the Secretary determines that the use of fuel may be reduced without lowering safety standards.

(b) Matters to be Included.—The report shall include discussion of—

(1) specific fuel conservation initiatives;

(2) estimated cost savings from such initiatives; and

(3) ongoing efforts to further reduce the use of fuel by military aircraft.

(c) Time for Submission of Report.—The report shall be submitted not later than 90 days after the date of the enactment of this Act.

SEC. 1435. REPORT CONCERNING POSEIDON-CLASS SUBMARINE

(a) Report on Alternative Uses.—The Secretary of Defense shall submit to Congress a report with respect to—

(1) the feasibility of converting a Poseidon-class submarine into an SSN-type submarine or SSGN-type submarine; and

(2) the feasibility of using a Poseidon-class submarine as a training platform.

(b) Deadline for Report.—The report shall be submitted not later than December 15, 1985.

SEC. 1436. REPORT AND DEMONSTRATION PROJECT CONCERNING THE SALE OF CERTAIN UNITED STATES MEAT IN MILITARY COMMISSARIES OVERSEAS

(a) Feasibility Study and Demonstration Project.—The Secretary of Defense shall study the feasibility of providing beef, pork, and lamb produced in the United States for sale in American Military Forces' commissaries located overseas in volumes equivalent to beef, pork and lamb secured for sale from non-United States producers. Such study—

(1) shall be carried out in consultation with the Secretary of Agriculture; and

(2) shall include a demonstration project in which beef, pork, and lamb produced in the United States shall be stocked in three commissaries on Air Force bases in Europe and in three commissaries located on Army bases in Europe for a six-month period in volumes equivalent to beef, pork, and lamb secured for sale from non-United States producers; such United States-produced products shall, to the best of the Secretary's ability, be made available at consumer prices which are competitive when compared with non-United States produced red-meat products offered for sale in the commissary system.

(b) Report.—Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the results of such study and the findings and conclusions of the Secretary under such study. Such report shall include any views provided by the Secretary of Agriculture.

SEC. 1437. REPORT ON RETENTION OF BASIC POINT DEFENSE MISSILE SYSTEM

(a) Requirement for Report by Secretary of the Navy.—The Secretary of the Navy shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the removal of the Basic Point Defense Missile System from naval amphibious vessels.

(b) Replacement of the Basic Point Defense Missile System.—(1) The report shall consider the current plans to replace

the Basic Point Defense Missile System on amphibious vessels with the Close-in Weapon System (CIWS).

(2) The report shall include an assessment of the effectiveness of the anti-air warfare capabilities of amphibious vessels. This assessment shall be used by the Secretary of the Navy in considering augmenting rather than replacing the Basic Point Defense Missile System on amphibious vessels with the Close-in Weapon System.

(c) LIMITATIONS ON REMOVAL OF BASIC POINT DEFENSE MISSILE SYSTEM.—The Secretary of the Navy may not remove the Basic Point Defense Missile System from amphibious vessels until the report is submitted.

SEC. 1438. REPORT ON RETIREMENT BENEFITS OF PHILIPPINE SCOUTS

(a) IN GENERAL.—The Secretary of the Army (hereinafter in this section referred to as the "Secretary") shall conduct a study of—

(1) the disparity between the pay received by members of the Philippine Scouts who served during World War II and the pay received by other members of the United States Army during such war who had grades and lengths of service that correspond to the grades and lengths of service of such members of the Philippine Scouts; and

(2) the effect of this disparity on the retirement benefits of such members of the Philippine Scouts and their survivors.

(b) PARTICULAR SUBJECTS OF THE STUDY.—In carrying out such study, the Secretary shall—

(1) compile a list of all persons who served as members of the Philippine Scouts during the period beginning on December 7, 1941, and ending on December 31, 1946;

(2) compile a list of persons described in paragraph (1) who are alive on the date of enactment of this Act;

(3) determine the amount of basic pay each person described in paragraph (2) received for services rendered as a member of the Philippine Scouts during the period described in such paragraph and compare it with the amount of basic pay each such person would have received as a member of the Philippine Scouts during that period if the rates of basic pay during such period for the Philippine Scouts had been the same as the rates of basic pay for other members of the United States Army with corresponding grades and length of service during such period;

(4) determine the amount of retired pay that each person described in paragraph (2) is entitled to receive as retired pay from the Army as a result of service rendered as a Philippine Scout and compare it with the amount such person would receive for periods beginning after the date of enactment of this Act if the rate of basic pay payable to such person during the period described in paragraph (1) had been the rate of basic pay payable to any other member of the United States Army with the corresponding grade and length of service during such period; and

(5) determine possible options, and the costs of each, for recalculating the retirement pay of persons described in paragraph (2), including survivor benefits, in order to remedy the disparity in pay received by such persons during their service as Philippine Scouts.

(c) Report.—(1) The Secretary shall transmit, within one year after the date of enactment of this Act, to the Committees on Armed Services of the Senate and House of Representatives a report containing the findings and conclusions of the Secretary with respect to each of the matters described in paragraphs (1) through (5) of subsection (b).

(2) If the Secretary determines that—

(A) the documents necessary to compile the lists and make the determinations under subsection (b) are not attainable through reasonable efforts; or

(B) the cost of compiling such lists and making such determinations is excessive,

the Secretary shall make a report as soon as practicable to such Committees with a justification of such determination.

(3) If a report is made to the Committees under paragraph (2), the report to such Committees under paragraph (1) shall be based on the best information that can be reasonably obtained without excessive costs.

SEC. 1439. REPORT ON DEATH PENALTY FOR ESPIONAGE

(a) Study.—The Secretary of Defense shall conduct a study of the desirability of reinstating the death penalty as an alternative penalty for persons convicted of espionage relating to the national defense.

(b) Report.—The Secretary shall submit to Congress a report containing the results of such study, together with any related recommendations for legislation, not later than 30 days after the date of the enactment of this Act.

SEC. 1440. REPORT ON IMPACT OF FOREIGN EXPORTS ON THE DEFENSE INDUSTRIAL BASE OF THE UNITED STATES

(a) Study.—The Secretary of Defense shall conduct a study regarding the effects that foreign export subsidies have had on the defense industrial base of the United States.

(b) Specific Requirements.—The Secretary shall include in such study the following:

(1) A compilation of the contracts (including the name of the contracting firms) valued in excess of $1,000,000 awarded to foreign firms by the Department of Defense during fiscal year 1984, fiscal year 1985, and the first six months of fiscal year 1986.

(2) In the case of a product procured by the Department of Defense which was exported to the United States under a contract compiled pursuant to paragraph (1), whether the Secretary of Commerce or the Secretary of the Treasury has determined since 1970 that the product exported to the United States under such contract is subject to a countervailing duty under title VII of the Tariff Act of 1930 (19 U.S.C. 1671 et seq.) and (if so) a description of the subsidy that led to such determination, including a description of the type and amount of the subsidy.

(c) Submission of Report.—Not later than June 1, 1986, the Secretary shall submit to the Congress a report containing the results of the study required under subsection (a).

SEC. 1441. SENSE OF CONGRESS REGARDING THE FIRING OF TACTICAL MISSILES FOR TRAINING PURPOSES

(a) SENSE OF CONGRESS.—It is the sense of the Congress that, in carrying out the comprehensive analysis of the threat-based munitions and related expendables directed to be made by the Secretary of Defense pursuant to Senate Report 99–41, dated April 29, 1985, the Secretary should also develop standard criteria—

(1) for identifying, in the case of each tactical missile of the Department of Defense, the training objectives that are uniquely served by the live-firing of such missiles and to provide guidance for the development of live-firing and training requirements based on such criteria;

(2) for utilizing, to the maximum extent practicable, the use of tactical missile evaluation programs for live-firing training purposes;

(3) for improving the reporting and evaluation requirements with regard to the live-firing of missiles; and

(4) for increasing, to the maximum extent practicable and without degrading readiness, the use of training devices and simulators as alternatives to exercises involving the live-firing of missiles for training purposes.

(b) REPORT.—The Secretary shall submit a report to the Congress not later than February 1, 1986, informing the Congress of the actions taken by the Secretary to develop standard criteria with respect to the matters referred to in subsection (a).

SEC. 1442. REPORT ON FEASIBILITY OF DRUG TESTING OF PROSPECTIVE RECRUITS

(a) IN GENERAL.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the feasibility of implementing a program in the Department of Defense designed to detect use of illegal drugs by persons who have been accepted for entry into the Armed Forces but who have not become members of the Armed Forces.

(b) MATTERS TO BE INCLUDED.—The Secretary shall include in the report required by subsection (a)—

(1) an explanation of how such a program would operate;

(2) the Secretary's assessment of the value of such a program;

(3) a discussion of any problems that might complicate the administration of such a program;

(4) a discussion of the advantages and disadvantages of instituting such a program;

(5) an estimate of any savings that the United States might realize by detecting use of illegal drugs by persons before they become members of the Armed Forces; and

(6) any recommendations for legislation that the Secretary considers necessary or appropriate to establish such a program.

(c) DEADLINE FOR REPORT.—The Secretary shall submit the report required under subsection (a) not later than October 1, 1985.

PART E—MISCELLANEOUS PROVISIONS

SEC. 1451. SENSE OF CONGRESS ON INTRODUCTION OF ARMED FORCES INTO NICARAGUA FOR COMBAT

It is the sense of Congress that United States Armed Forces should not be introduced into or over Nicaragua for combat. However, nothing in this section shall be construed as affecting the authority and responsibility of the President or Congress under the Constitution, statutes, or treaties of the United States in force.

SEC. 1452. SENSE OF CONGRESS CONCERNING PROTECTION OF UNITED STATES MILITARY PERSONNEL AGAINST TERRORISM

(a) FINDING.—The Congress finds that the protection of members of the Armed Forces against terrorist activity is among the highest national security concerns of the United States.

(b) SENSE OF CONGRESS.—Therefore, it is the sense of Congress that—

(1) the President should be supported in the vigorous exercise of his powers as Commander-in-Chief to protect members of the Armed Forces against terrorist activity; and

(2) such exercise of power should include the use of such measures as may be appropriate and consistent with law.

SEC. 1453. READINESS OF SPECIAL OPERATIONS FORCES

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) the first duty of the Government is to provide for the common defense, including safeguarding the peace, safety, and security of the citizens of the United States;

(2) the incidence of terrorist, guerilla, and other violent threats to citizens and property of the United States has rapidly increased;

(3) the special operations forces of the Armed Forces provide the United States with immediate and primary capability to respond to terrorism; and

(4) the special operations forces are the military mainstay of the United States for the purposes of nation-building and training friendly foreign forces in order to preclude deployment or combat involving the conventional or strategic forces of the United States.

(b) SENSE OF THE CONGRESS.—In view of the findings in subsection (a), it is the sense of the Congress that—

(1) the revitalization of the capability of the special operations forces of the Armed Forces should be pursued as a matter of the highest priority;

(2) personnel and other resource allocations should reflect the priority referred to in paragraph (1);

(3) the political and military sensitivity and the importance to national security of the special operations forces require that the Office of the Secretary of Defense should improve its management supervision of such forces in all aspects of the special operations mission area;

(4) the joint command and control of the special operations forces must permit direct and immediate access by the President and Secretary of Defense; and

(5) the commanders-in-chief of the unified commands should have available, within their operational areas of responsibility, sufficient special operations assets to execute the operations plans for which they are responsible or to support additional contingency operations directed from the national level.

SEC. 1454. AUTHORITY TO PROVIDE EXCESS PERSONAL PROPERTY FOR HUMANITARIAN PURPOSES

(a) AUTHORITY TO PROVIDE NONLETHAL EXCESS PROPERTY.—Chapter 151 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 2547. Excess nonlethal supplies: humanitarian relief

"(a) The Secretary of Defense may make available for humanitarian relief purposes any nonlethal excess supplies of the Department of Defense.

"(b) Excess supplies made available for humanitarian relief purposes under this section shall be transferred to the Secretary of State, who shall be responsible for the distribution of such supplies.

"(c) This section does not constitute authority to conduct any activity which, if carried out as an intelligence activity by the Department of Defense, would require—

"(1) a finding under section 662 of the Foreign Assistance Act of 1961 (22 U.S.C. 2422); or

"(2) a notice to the intelligence committees under section 501(a)(1) of the National Security Act of 1947 (50 U.S.C. 413).

"(d)(1) The Secretary of State shall submit an annual report on the disposition of all excess supplies transferred by the Secretary of Defense to the Secretary of State under this section during the preceding year.

"(2) Such reports shall be submitted to the Committees on Armed Services and on Foreign Relations of the Senate and the Committees on Armed Services and on Foreign Affairs of the House of Representatives.

"(3) Such reports shall be submitted not later than June 1 of each year.

"(e) In this section:

"(1) 'Nonlethal excess supplies' means property, other than real property, of the Department of Defense—

"(A) that is excess property, as defined in regulations of the Department of Defense; and

"(B) that is not a weapon, ammunition, or other equipment or material that is designed to inflict serious bodily harm or death.

"(2) 'Intelligence committees' means the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"2547. Excess nonlethal supplies: humanitarian relief.".

SEC. 1455. ENCOURAGEMENT OF CONSTRUCTION IN UNITED STATES SHIPYARDS OF COMBATANT VESSELS FOR UNITED STATES ALLIES

(a) In General.—The Secretary of the Navy shall take such steps as necessary—

(1) to encourage United States shipyards to construct combatant vessels for nations friendly to the United States, subject to the requirement to safeguard sensitive warship technology; and

(2) to ensure that no effort is made by any element of the Department of the Navy to inhibit, delay, or halt the provision of any United States naval system to a nation allied with the United States if that system is approved for export to a foreign nation, unless approval of such system for export is withheld solely for the purpose of safeguarding sensitive warship technology;

(3) if opportunities arise to construct combatant vessels (including diesel submarines) outside the United States in a shipyard of a friendly foreign nation, with some or all of the costs provided by United States funds—

(A) to encourage United States firms to participate in such construction to the maximum extent possible, subject to the requirement to safeguard sensitive warship technology; and

(B) to ensure, whenever practicable, that at least 51 percent of the dollar value of such construction is provided by United States firms.

(b) Definition.—For the purposes of this section, the term "sensitive warship technology" means technology relating to the design or construction of a combatant naval vessel that is determined by the Secretary of Defense to be vital to United States security.

SEC. 1456. DEFENSE INDUSTRIAL BASE FOR TEXTILE AND APPAREL PRODUCTS

(a) Capability of Domestic Textile and Apparel Industrial Base.—The Secretary of Defense shall monitor the capability of the domestic textile and apparel industrial base to support defense mobilization requirements.

(b) Annual Report.—The Secretary shall submit to Congress not later than April 1 of each of the five years beginning with 1986 a report on the status of such industrial base. Each such report shall include—

(1) an identification of textile and apparel mobilization requirements of the Department of Defense that cannot be satisfied on a timely basis by the domestic industries;

(2) an assessment of the effect any inadequacy in the textile and apparel industrial base would have on a defense mobilization; and

(3) recommendations for ways to alleviate any inadequacy in such industrial base that the Secretary considers critical to defense mobilization requirements.

SEC. 1457. ENCOURAGEMENT OF TECHNOLOGY TRANSFER

(a) In General.—Chapter 139 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§2362. Encouragement of technology transfer

"(a) The Secretary of Defense shall encourage, to the extent consistent with national security objectives, the transfer of technology between laboratories and research centers of the Department of Defense and other Federal agencies, State and local governments, colleges and universities, and private persons in cases that are likely to result in the maximum domestic use of such technology.

"(b) The Secretary shall examine and implement methods, in addition to the encouragement referred to in subsection (a), that are consistent with national security objectives and will enable Department of Defense personnel to promote technology transfer in cases referred to in subsection (a)."

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"2362. Encouragement of technology transfer.".

SEC. 1458. CIVIL AIR PATROL

(a) REIMBURSEMENT FOR MAJOR ITEMS OF EQUIPMENT.—Section 9441(b)(10) of title 10, United States Code, is amended by striking out "authorize the purchase with funds appropriated to the Air Force" and inserting in lieu thereof "reimburse the Civil Air Patrol for costs incurred for the purchase".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1985.

SEC. 1459. NATIONAL SCIENCE CENTER FOR COMMUNICATIONS AND ELECTRONICS

(a) FINDINGS.—The Congress makes the following findings:

(1) Scientific and technological developments in communications and electronics are of particular importance to the United States in meeting its national security, industrial, and other needs.

(2) Enhanced training in the technical communications, electronics, and computer disciplines is necessary for a more efficient and effective military force.

(3) The Secretary of the Army, through the Training and Doctrine Command, is responsible for providing training to members of the Army.

(4) The Ninety-seventh Congress, in Senate Concurrent Resolution 130 of that Congress, encouraged the establishment within the United States of a national center dedicated to communications and electronics.

(5) The Secretary of the Army entered into a Memorandum of Understanding with the National Science Center for Communications and Electronics Foundation Incorporated, a nonprofit corporation of the State of Georgia, in which the Army and such foundation agreed to develop a science center for—

(A) the promotion of engineering principles and practices;

(B) the advancement of scientific education for careers in communications and electronics; and

(C) the portrayal of the communications, electronics, and computer arts.

(b) PURPOSE.—It is the purpose of this section—

(1) to recognize the relationship between the Army and the National Science Center for Communications and Electronics Foundation Incorporated (hereinafter in this section referred to as the "Foundation") for the development, construction, and operation of a national science center; and

(2) to authorize the Secretary of the Army (hereinafter in this section referred to as the "Secretary") to make available a suitable site for the construction of such a center, to accept title to the center facilities when constructed, and to provide for the management, operation, and maintenance of such a center after the transfer of title of the center to the Secretary.

(c) NATIONAL SCIENCE CENTER.—(1) Subject to paragraph (2), the Secretary may provide a suitable parcel of land at or near Fort Gordon, Georgia, for the construction by the Foundation of a National Science Center to meet the objectives expressed in subsection (a). Upon completion of the construction of the center, the Secretary may accept title to the center and may provide for the management, operation, and maintenance of the center.

(2) As a condition to making a parcel of land available to the Foundation for the construction of a National Science Center, the Secretary shall have the right to approve the design of the center, including all plans, specifications, contracts, sites, and materials to be used in the construction of such center and all rights-of-way, easements, and rights of ingress and egress for the center. The Secretary's approval of the design and plans shall be based on good business practices and accepted engineering principles, taking into consideration safety and other appropriate factors.

(d) GIFTS.—The Secretary may accept conditional or unconditional gifts made for the benefit of, or in connection with, the center.

(e) ADVISORY BOARD.—The Secretary may appoint an advisory board to advise the Secretary regarding the operation of the center in pursuit of the goals of the center described in subsection (a)(5). The Secretary may appoint to the advisory board such members of the Board of Directors of the Foundation as the Secretary considers appropriate. The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the advisory board appointed under this subsection.

(f) AVAILABILITY OF CENTER TO FOUNDATION.—Consistent with the mission of the Armed Forces and the efficient operation of the center, the Secretary may make facilities at the center available to the Foundation—

(1) for its corporate activities; and

(2) for such endeavors in the area of communications and electronics as the Secretary may consider appropriate.

(g) OTHER AUTHORIZED USES.—(1) The Secretary may make the center available to the public and to other departments and agencies of the Government for research and study and for public exhibitions. The Secretary may charge for such uses as he considers necessary and appropriate.

(2) Any money collected for the use of the facilities of the center shall be deposited to a special fund maintained by the Secretary for the maintenance and operation of the center. The Secretary shall require the Auditor General of the Army to audit the records of such

fund at least once every two years and to report the results of the audits to the Secretary.

SEC. 1460. DONATIONS BY COMMISSARY STORES OF CERTAIN UNMARKETABLE FOOD

(a) IN GENERAL.—Chapter 147 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 2485. Commissary stores: donation of unmarketable food

"(a) The Secretary of a military department may donate commissary store food described in subsection (b) to authorized charitable nonprofit food banks.

"(b) Food that may be donated under this section is food of a commissary store—

"(1) that is—

"(A) unmarketable;

"(B) unsaleable; and

"(C) certified as edible by appropriate food inspection technicians; and

"(2) that would otherwise be destroyed as unusable.

"(c) A donation under this section shall take place at the site of the commissary that is donating the food.

"(d) A donation under this section may only be made to an entity that is authorized by the Secretary of Defense or the Secretary of Health and Human Services to receive donations under this section.

"(e) This section does not authorize any service (including transportation) to be provided in connection with a donation under this section.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"2485. Commissary stores: donation of unmarketable food.".

SEC. 1461. LIMITATION ON GRATUITIES AT NAVAL SHIPBUILDING CEREMONIES

(a) GENERAL RULE.—A Federal officer, employee, or Member of Congress may not accept, directly or indirectly, any tangible thing of value as a gift or memento in connection with a ceremony to mark the completion of a naval shipbuilding milestone.

(b) EXCLUSION.—Subsection (a) does not apply to a gift or memento that has a value of less than $100.

(c) DEFINITIONS.—For purposes of this section, the terms "officer", "employee", and "Member of Congress" have the meanings given those terms in sections 2104, 2105, and 2106, respectively, of title 5, United States Code.

SEC. 1462. AUTHORITY TO TRANSFER CERTAIN AIRCRAFT

(a) IN GENERAL.—The Secretary of the Navy may transfer title to an aircraft described in subsection (b) to the institution leasing the aircraft if the Secretary certifies—

(1) that at the time of the transfer the aircraft is being used by the organization holding the aircraft for a purpose consistent with the use intended when the aircraft was first leased to the institution; and

(2) that the Department of the Navy no longer needs the aircraft.

(b) Covered Aircraft.—The authority of the Secretary of the Navy under subsection (a) applies with respect to an aircraft—

(1) that on the date of the enactment of this Act is being leased by the Secretary to a State-supported educational institution; and

(2) for which a lease for such aircraft began with such institution on or before January 1, 1976.

(c) Compensation.—A transfer under this section shall be made without compensation or reimbursement to the United States.

SEC. 1463. AUTHORITY TO LEASE AIR FORCE HELICOPTERS TO THE STATE OF CALIFORNIA

Notwithstanding any other provision of this or any other Act, the Secretary of the Air Force may lease not more that 12 UH–F1 helicopters to the Department of Forestry of the State of California for the purposes of fighting forest fires, search and rescue missions, and vegetation control activities. The lease of helicopters under this section shall be made subject to such terms and conditions as the Secretary considers fair, reasonable, and necessary to protect the interests of the United States.

SEC. 1464. SENSE OF CONGRESS CONCERNING ESTABLISHMENT OF TRAVEL OFFICES OR ACQUISITION OF TRAVEL SERVICES

It is the sense of the Congress that the Secretary of each military department should provide, in the establishment of travel offices or the acquisition of travel services for official travel, for free and open competition among commercial travel agencies, scheduled airline traffic offices (SATOs), and other entities which provide such services.

SEC. 1465. AMERICAN STAGE EQUIPMENT FOR UNITED STATES PATRIOTIC EVENTS

It is the sense of Congress that performing groups in the Armed Forces of the United States should use domestically manufactured entertainment support items, such as pianos and organs, sound and lighting equipment, and other items essential for quality entertainment, at patriotic and ceremonial events in the Capitol Building, on the Capitol Grounds, and at all Federal buildings, unless there is no domestically manufactured item of comparable quality and price.

SEC. 1466. SALE OF CERTAIN RECORDINGS OF UNITED STATES AIR FORCE BAND

(a) Authorized Sale.—Notwithstanding any other provision of law, the Secretary of the Air Force may produce recordings of the concert of the United States Air Force Band in Salt Lake City, Utah, on April 18 and 19, 1985, for commercial sale.

(b) Authorized Contract.—The Secretary may enter into an appropriate contract, under such terms as the Secretary determines to be in the best interest of the Government, for the production and sale authorized by subsection (a).

TITLE XV—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

SEC. 1501. SHORT TITLE

This title may be cited as the "Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1986".

PART A—NATIONAL SECURITY PROGRAMS AUTHORIZATIONS

SEC. 1511. OPERATING EXPENSES

Funds are authorized to be appropriated to the Department of Energy for fiscal year 1986 for operating expenses incurred in carrying out national security programs (including scientific research and development in support of the Armed Forces, strategic and critical materials necessary for the common defense, and military applications of nuclear energy and related management and support activities) as follows:

(1) For naval reactors development, $489,000,000.

(2) For weapons activities, $3,519,200,000, to be allocated as follows:

(A) For research and development, $850,300,000.

(B) For weapons testing, $537,800,000.

(C) For the defense inertial confinement fusion program, $145,000,000.

(D) For production and surveillance, $1,887,400,000.

(E) For program direction, $98,700,000.

(3) For verification and control technology, $90,975,000, of which $3,800,000 shall be used for program direction.

(4) For defense nuclear materials production, $1,556,300,000, to be allocated as follows:

(A) For uranium enrichment, $208,900,000.

(B) For production reactor operations, $576,380,000.

(C) For processing of defense nuclear materials, $493,145,000, of which $74,800,000 shall be used for special isotope separation.

(D) For supporting services, $256,575,000, of which $26,000,000 shall be used for the plasma separation process program.

(E) For program direction, $21,300,000.

(5) For defense nuclear waste and byproduct management, $395,037,000, to be allocated as follows:

(A) For interim waste management, $271,000,000.

(B) For long term waste management technology, $96,567,000.

(C) For terminal waste storage, $25,070,000.

(D) For program direction, $2,400,000.

(6) For nuclear materials safeguards and security technology development program, $54,325,000, of which $6,925,000 shall be used for program direction.

(7) For security investigations, $33,400,000.

SEC. 1512. PLANT AND CAPITAL EQUIPMENT

Funds are authorized to be appropriated to the Department of Energy for fiscal year 1986 for plant and capital equipment (includ-

ing planning, construction, acquisition, and modification of facilities, land acquisition related thereto, and acquisition and fabrication of capital equipment not related to construction) necessary for national security programs as follows:

(1) For weapons activities:

Project 86-D-101, general plant projects, various locations, $26,900,000.

Project 86-D-121, general plant projects, various locations, $28,700,000.

Project 86-D-103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, Livermore, California, $3,700,000.

Project 86-D-104, strategic defense facility, Sandia National Laboratories, Albuquerque, New Mexico, $4,000,000.

Project 86-D-105, Instrumentation Systems Laboratory, Sandia National Laboratories, Albuquerque, New Mexico, $6,200,000.

Project 86-D-122, structural upgrade of existing plutonium facilities, Rocky Flats Plant, Golden, Colorado, $3,000,000.

Project 86-D-123, environmental hazards elimination, various locations, $8,700,000.

Project 86-D-124, safeguards and site security upgrading, phase II, Mound Plant, Miamisburg, Ohio, $3,000,000.

Project 86-D-125, safeguards and site security upgrade, phase II, Pantex Plant, Amarillo, Texas, $1,500,000.

Project 86-D-130, Tritium loading facility replacement, Savannah River Plant, Aiken, South Carolina, $5,000,000.

Project 86-D-133, Data Communications Laboratory, Los Alamos National Laboratory, Los Alamos, New Mexico, $3,000,000.

Project 85-D-102, nuclear weapons research, development, and testing facilities revitalization, phase I, various locations, $65,400,000, for a total project authorization of $100,800,000.

Project 85-D-103, safeguards and security enhancements, Lawrence Livermore National Laboratory and Sandia National Laboratories, Livermore, California, $16,400,000, for a total project authorization of $21,100,000.

Project 85-D-105, combined device assembly facility, Nevada Test Site, Nevada, $7,000,000, for a total project authorization of $14,600,000.

Project 85-D-106, hardened engineering test building, Lawrence Livermore National Laboratory, Livermore, California, $1,900,000, for a total project authorization of $2,700,000.

Project 85-D-112, enriched uranium recovery improvements, Y-12 Plant, Oak Ridge, Tennessee, $15,300,000, for a total project authorization of $19,800,000.

Project 85-D-113, powerplant and steam distribution system, Pantex Plant, Amarillo, Texas, $18,500,000, for a total project authorization of $23,000,000.

Project 85-D-115, renovate plutonium building utility systems, Rocky Flats Plant, Golden, Colorado, $17,700,000, for a total project authorization of $20,600,000.

Project 85-D-121, air and water pollution control facilities, Y-12 Plant, Oak Ridge, Tennessee, $14,000,000, for a total project authorization of $19,000,000.

Project 85-D-123, safeguards and site security upgrade, phase I, Pantex Plant, Amarillo, Texas, $4,000,000, for a total project authorization of $5,000,000.

Project 85-D-124, safeguards and site security upgrade, Rocky Flats Plant, Golden, Colorado, $2,400,000, for a total project authorization of $3,400,000.

Project 85-D-125, tactical bomb production facilities, various locations, $6,000,000, for a total project authorization of $16,000,000.

Project 84-D-102, radiation-hardened integrated circuit laboratory, Sandia National Laboratories, Albuquerque, New Mexico, $15,500,000, for a total project authorization of $37,500,000.

Project 84-D-104, nuclear materials storage facility, Los Alamos National Laboratory, Los Alamos, New Mexico, $12,100,000, for a total project authorization of $19,300,000.

Project 84-D-107, nuclear testing facilities revitalization, various locations, $14,900,000, for a total project authorization of $65,940,000.

Project 84-D-112, Trident II warhead production facilities, various locations, $60,700,000, for a total project authorization of $140,700,000.

Project 84-D-113, anti-submarine warfare/standoff weapon warhead production facilities, various locations, $10,000,000.

Project 84-D-115, electrical system expansion, Pantex Plant, Amarillo, Texas, $3,300,000, for a total project authorization of $14,800,000.

Project 84-D-117, inert assembly and test facility, Pantex Plant, Amarillo, Texas, $400,000, for a total project authorization of $13,600,000.

Project 84-D-118, high-explosive subassembly facility, Pantex Plant, Amarillo, Texas, $33,000,000, for a total project authorization of $40,000,000.

Project 84-D-120, explosive component test facility, Mound Plant, Miamisburg, Ohio, $2,300,000, for a total project authorization of $22,300,000.

Project 84-D-211, safeguards and site security upgrading, Y-12 Plant, Oak Ridge, Tennessee, $7,500,000, for a total project authorization of $23,000,000.

Project 84-D-212, safeguards and site security upgrade, Pinellas Plant, Florida, $3,800,000, for a total project authorization of $7,500,000.

Project 83-D-199, buffer land acquisition, Lawrence Livermore National Laboratory and Sandia National Laboratories, Livermore, California, $10,000,000, for a total project authorization of $34,000,000.

Project 82-D-107, utilities and equipment restoration, replacement, and upgrade, phase III, various locations, $170,000,000, for a total project authorization of $740,400,000.

Project 82-D-111, interactive graphics systems, various locations, $4,000,000, for a total project authorization of $24,000,000.

Project 82-D-144, Simulation Technology Laboratory, Sandia National Laboratories, Albuquerque, New Mexico, $10,300,000, for a total project authorization of $34,000,000.

Project 79-7-0, Universal Pilot Plant, Pantex Plant, Amarillo, Texas, $4,500,000, for a total project authorization of $20,400,000.

(2) For materials production:

Project 86-D-146, general plant projects, various locations, $29,800,000.

Project 86-D-148, special isotope separation plant (design only), site undesignated, $8,000,000.

Project 86-D-149, productivity retention program, phase I, various locations, $24,200,000.

Project 86-D-150, in-core neutron monitoring system, N reactor, Richland, Washington, $4,460,000.

Project 86-D-151, PUREX electrical system upgrade, Richland, Washington, $2,500,000.

Project 86-D-152, reactor electrical distribution system, Savannah River, South Carolina, $2,000,000.

Project 86-D-153, additional line III furnace, Savannah River, South Carolina, $1,500,000.

Project 86-D-154, effluent treatment facility, Savannah River, South Carolina, $2,500,000.

Project 86-D-156, plantwide safeguards systems, Savannah River, South Carolina, $3,000,000.

Project 86-D-157, hydrofluorination system, FB-line, Savannah River, South Carolina, $2,200,000.

Project 85-D-137, vault safety special nuclear material inventory system, Richland, Washington, $1,900,000, for a total project authorization of $4,400,000.

Project 85-D-139, fuel processing restoration, Idaho Fuels Processing Facility, Idaho National Engineering Laboratory, Idaho, $12,000,000, for a total project authorization of $22,000,000.

Project 85-D-140, productivity and radiological improvements, Feed Materials Production Center, Fernald, Ohio, $12,000,000, for a total project authorization of $18,000,000.

Project 85-D-145, fuel production facility, Savannah River, South Carolina, $16,000,000, for a total project authorization of $25,800,000.

Project 84-D-135, process facility modifications, Richland, Washington, $15,000,000, for a total project authorization of $32,500,000.

Project 84-D-136, enriched uranium conversion facility modifications, Y-12 Plant, Oak Ridge, Tennessee, $7,200,000, for a total project authorization of $19,600,000.

Project 83-D-148, non-radioactive hazardous waste management, Savannah River, South Carolina, $3,100,000, for a total project authorization of $22,100,000.

Project 82-D-124, restoration of production capabilities, phases II, III, IV, and V, various locations, $43,900,000, for a total project authorization of $348,534,000.

Project 82-D-201, special plutonium recovery facilities, JB-Line, Savannah River, South Carolina, $4,400,000, for a total project authorization of $83,800,000.

(3) For defense waste and byproducts management:

Project 86-D-171, general plant projects, interim waste operations and long-term waste management technology, various locations, $24,451,000.

Project 86-D-172, B plant F filter, Richland, Washington, $1,000,000.

Project 86-D-173, central waste disposal facility, Oak Ridge, Tennessee, $1,000,000.

Project 86-D-174, low-level waste processing and shipping system, Feed Materials Production Center, Fernald, Ohio, $2,500,000.

Project 86-D-175, Idaho National Engineering Laboratory security upgrade, Idaho National Engineering Laboratory (INEL), Idaho, $2,000,000.

Project 85-D-157, seventh calcined solids storage facility, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $14,500,000, for a total project authorization of $21,500,000.

Project 85-D-158, central warehouse upgrade, Richland, Washington, $5,000,000, for a total project authorization of $5,700,000.

Project 85-D-159, new waste transfer facilities, H-Area, Savannah River, South Carolina, $9,000,000, for a total project authorization of $20,000,000.

Project 85-D-160, test reactor area security system upgrade, Idaho National Engineering Laboratory (INEL), Idaho, $2,250,000, for a total project authorization of $4,250,000.

Project 81-T-105, defense waste processing facility, Savannah River, South Carolina, $165,000,000, for a total project authorization of $597,500,000.

(4) For verification and control technology:

Project 85-D-171, space science laboratory, Los Alamos, New Mexico, $4,500,000, for a total project authorization of $5,500,000.

(5) Nuclear safeguards and security:

Project 86-D-186, Nuclear Safeguards Technology Laboratory, Los Alamos National Laboratory, Los Alamos, New Mexico, $1,000,000.

(6) For naval reactors development:

Project 86-N-101, general plant projects, various locations, $4,000,000.

Project 86-N-104, reactor modifications, advance test reactor, Idaho National Engineering Laboratory, $4,500,000.

Project 82-N-111, materials facility, Savannah River, South Carolina, $11,000,000, for a total project authorization of $176,000,000.

Project 81-T-112, modifications and additions to prototype facilities, various locations, $27,000,000, for a total project authorization of $137,000,000.

(7) For capital equipment not related to construction:

(A) for weapons activities, $267,750,000;

(B) for inertial confinement fusion, $10,000,000;

(C) for materials production, $123,440,000;

(D) for defense waste and byproducts management, $38,997,000;

(E) for verification and control technology, $5,600,000;

(F) for nuclear safeguards and security, $4,600,000; and

(G) for naval reactors development, $29,000,000.

PART B—RECURRING GENERAL PROVISIONS

SEC. 1521. REPROGRAMMING

(a) NOTICE TO CONGRESS.—Except as otherwise provided in this title—

(1) no amount appropriated pursuant to this title may be used for any program in excess of 105 percent of the amount authorized for that program by this title or $10,000,000 more than the amount authorized for that program by this title, whichever is the lesser, and

(2) no amount appropriated pursuant to this title may be used for any program which has not been presented to, or requested of, the Congress,

unless a period of 30 calendar days (not including any day on which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) has passed after receipt by the appropriate committees of Congress of notice from the Secretary of Energy (hereinafter in this part referred to as the "Secretary") containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action, or unless each such committee before the expiration of such period has transmitted to the Secretary written notice to the effect that such committee has no objection to the proposed action.

(b) LIMITATION ON AMOUNT OBLIGATED.—In no event may the total amount of funds obligated pursuant to this title exceed the total amount authorized to be appropriated by this title.

SEC. 1522. LIMITS ON GENERAL PLANT PROJECTS

(a) IN GENERAL.—The Secretary may carry out any construction project under the general plant projects provisions authorized by this title if the total estimated cost of the construction project does not exceed $1,200,000.

(b) REPORT TO CONGRESS.—If at any time during the construction of any general plant project authorized by this title, the estimated cost of the project is revised because of unforeseen cost variations and the revised cost of the project exceeds $1,200,000, the Secretary

shall immediately furnish a complete report to the appropriate committees of Congress explaining the reasons for the cost variation.

SEC. 1523. LIMITS ON CONSTRUCTION PROJECTS

(a) In General.—Whenever the current estimated cost of a construction project, which is authorized by section 1512 of this title, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of—

(1) the amount authorized for the project; or

(2) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to the Congress,

construction may not be started or additional obligations incurred in connection with the project above the total estimated cost, as the case may be, unless a period of 30 calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three days to a day certain) has passed after receipt by the appropriate committees of Congress of written notice from the Secretary containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of the action, or unless each committee before the expiration of such period has notified the Secretary it has no objection to the proposed action.

(b) Exception.—Subsection (a) shall not apply to any construction project which has a current estimated cost of less than $5,000,000.

SEC. 1524. FUND TRANSFER AUTHORITY

To the extent specified in appropriation Acts, funds appropriated pursuant to this title may be transferred to other agencies of the Government for the performance of the work for which the funds were appropriated, and funds so transferred may be merged with the appropriations of the agency to which the funds are transferred.

SEC. 1525. AUTHORITY FOR CONSTRUCTION DESIGN

(a) In General.—(1) Within the amounts authorized by this title for plant engineering and design, the Secretary may carry out advance planning and construction designs (including architectural and engineering services) in connection with any proposed construction project if the total estimated cost for such planning and design does not exceed $2,000,000.

(2) In any case in which the total estimated cost for such planning and design exceeds $300,000, the Secretary shall notify the appropriate committees of Congress in writing of the details of such project at least 30 days before any funds are obligated for design services for such project.

(b) Specific Authority Required.—In any case in which the total estimated cost for advance planning and construction design in connection with any construction project exceeds $2,000,000, funds for such design must be specifically authorized by law.

SEC. 1526. AUTHORITY FOR EMERGENCY CONSTRUCTION DESIGN

In addition to the advance planning and construction design authorized by section 1512, the Secretary may perform planning and design utilizing available funds for any Department of Energy defense activity construction project whenever the Secretary determines *that the design must proceed expeditiously in order to meet the needs of national defense or to protect property or human life.*

SEC. 1527. FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY

Subject to the provisions of appropriation Acts, amounts appropriated pursuant to this title for management and support activities and for general plant projects are available for use, when necessary, in connection with all national security programs of the Department of Energy.

SEC. 1528. ADJUSTMENTS FOR PAY INCREASES

Appropriations authorized by this title for salary, pay, retirement, or other benefits for Federal employees may be increased by such amounts as may be necessary for increases in such benefits authorized by law.

SEC. 1529. AVAILABILITY OF FUNDS

When so specified in an appropriation Act, amounts appropriated for "Operating Expenses" or for "Plant and Capital Equipment" may remain available until expended.

PART C—PROGRAM REVISIONS AND MISCELLANEOUS PROVISIONS

SEC. 1531. GENERAL REDUCTION

The total amount that may be appropriated pursuant to the authorizations in this title is the amount equal to the sum of the amounts authorized in this title reduced by $32,280,000. Of such reduction—

(1) $10,000,000 shall be derived from funds for acquisition of automated data processing and computer equipment;

(2) $14,000,000 shall be derived from savings from management initiatives; and

(3) $8,280,000 shall be derived from proposed rescission R85–80.

SEC. 1532. COMMUNITY ASSISTANCE PAYMENTS

(a) FINAL SETTLEMENT.—Subject to the provisions of appropriation Acts, the Secretary of Energy is authorized to obligate during fiscal year 1986 not more than $41,133,000 from funds available to the Department of Energy for the purpose of carrying out a contract with Anderson County and Roane County, Tennessee, and the City of Oak Ridge, Tennessee, that would provide a final financial settlement with those entities and terminate all annual assistance payments made to those entities pursuant to section 91 of the Atomic Energy Community Act of 1955 (42 U.S.C. 2391), and for advance payment of payments in lieu of property taxes for the fiscal years 1986 through 1996 authorized by section 168 of the Atomic Energy Act of 1954 (42 U.S.C. 2208).

(b) REPORT TO CONGRESS.—Not later than February 1, 1986, the Secretary of Energy shall submit to the appropriate committees of Congress a report and the Secretary's recommendations concerning any need for any further financial assistance payments to local governmental entities pursuant to the Atomic Energy Community Act of 1955. In making such recommendations, the Secretary shall consider—

(1) the criteria established by section 91 of the Atomic Energy Act of 1954;

(2) changes in the financial circumstances of State and local governmental entities since 1955;

(3) other forms of Federal assistance to State and local governmental entities provided since 1955; and

(4) the deficit of the Federal budget.

(c) LIMITATION.—No funds may be obligated for the purposes set forth in subsection (a) until—

(1) the Secretary has submitted to the appropriate committee of Congress a copy of an executed contract that complies with the requirements of that subsection; and

(2) a period of 30 calendar days (not including any day on which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) has passed after receipt of such contract.

SEC. 1533. IMPROVEMENTS TO DEPARTMENT OF ENERGY BUILDING AT OAK RIDGE, TENNESSEE

Subject to the provisions of appropriations Acts, the Secretary of Energy is authorized to obligate not more than $5,000,000 during fiscal year 1986 from funds available to the Department of Energy to renovate a building owned by the Department of Energy at Oak Ridge, Tennessee, if the Secretary determines that the Department's research and development requirements of the Strategic Defense Initiatives program require such renovations.

SEC. 1534. COSTS NOT ALLOWED UNDER COVERED CONTRACTS

(a) IN GENERAL.—The following costs are not allowable under a covered contract:

(1) Costs of entertainment, including amusement, diversion, and social activities and any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities).

(2) Costs incurred to influence (directly or indirectly) legislative action on any matter pending before Congress or a State legislature.

(3) Costs incurred in defense of any civil or criminal fraud proceeding or similar proceeding (including filing of any false certification) brought by the United States where the contractor is found liable or has pleaded nolo contendere to a charge of fraud or similar proceeding (including filing of false certification).

(4) Payments of fines and penalties resulting from violations of, or failure to comply with, Federal, State, local, or foreign laws and regulations, except when incurred as a result of compliance with specific terms and conditions of the contract or specific written instructions from the contracting officer authorizing in advance such payments in accordance with applicable regulations of the Secretary of Energy.

(5) Costs of membership in any social, dining, or country club or organization.

(6) Costs of alcoholic beverages.

(7) Contributions or donations, regardless of the recipient.

(8) Costs of advertising designed to promote the contractor or its products.

(9) Costs of promotional items and memorabilia, including models, gifts, and souvenirs.

(10) Costs for travel by commercial aircraft or by travel by other than common carrier that is not necessary for the performance of the contract and the cost of which exceeds the amount of the standard commercial fare.

(b) REGULATIONS.—Not later than 150 days after the date of the enactment of this Act, the Secretary of Energy shall prescribe regulations to implement this section. Such regulations may establish appropriate definitions, exclusions, limitations, and qualifications. Such regulations shall be published in accordance with section 22 of the Office of Federal Procurement Policy Act (41 U.S.C. 418b).

(c) DEFINITION.—In this section, "covered contract" means a contract for an amount more than $100,000 entered into by the Secretary of Energy obligating funds appropriated for national security programs of the Department of Energy.

(d) EFFECTIVE DATE.—Subsection (a) shall apply with respect to costs incurred under a covered contract on or after 30 days after the regulations required by subsection (b) are issued.

SEC. 1535. TECHNICAL AMENDMENTS

(a) IN GENERAL.—Sections 1623(a) and 1626 of the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1985 (title XVI of Public Law 98-525) are amended by striking out "section 302" and inserting in lieu thereof "section 1602".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall be considered to have been made on the date of the enactment of the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1985.

TITLE XVI—OTHER GENERAL PROVISIONS

PART A—CIVIL DEFENSE

SEC. 1601. AUTHORIZATION OF APPROPRIATIONS

There is hereby authorized to be appropriated for fiscal year 1986 to carry out provisions of the Federal Civil Defense Act of 1950 (50 U.S.C. App. 2251 et seq.) the sum of $130,000,000.

PART B—NATIONAL DEFENSE STOCKPILE

SEC. 1611. FUNDING FOR NATIONAL DEFENSE STOCKPILE

(a) ONE-YEAR EXTENSION OF FUNDING FOR STOCKPILE TRANSACTION FUND FROM NAVAL PETROLEUM RESERVE RECEIPTS.—Section 905 of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2574), is amended by striking out "during fiscal year 1985" and inserting in lieu thereof "during fiscal years 1985 and 1986".

(b) CONFORMING AMENDMENT.—Section 903(b) of such Act (98 Stat. 2573) is amended by striking out "October 1, 1986" and inserting in lieu thereof "October 1, 1987".

SEC. 1612. PROHIBITION OF REDUCTIONS IN STOCKPILE GOALS

(a) Freeze on Goals.—(1) No action may be taken before October 1, 1986, to implement or administer any change in a stockpile goal in effect on October 1, 1984, that results in a reduction in the quality or quantity of any strategic and critical material to be acquired for the National Defense Stockpile.

(b) Definition.—For purposes of subsection (a), the term "stockpile goal" means a determination made by the President under section 3(a) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98b) with respect to the National Defense Stockpile.

SEC. 1613. STUDY OF LOSS OF PRODUCTION CAPACITY OF CRITICAL FERROALLOY PRODUCTS

(a) Requirement for Study.—Recognizing the vital role that ferroalloy products have in industries crucial to the national defense, the Secretary of Defense shall conduct a study to determine what effect the loss of all capacity by the United States to produce domestic ferroalloys would have on the defense industrial base and on industrial preparedness of the United States.

(b) Specific Requirements.—Such study shall include an evaluation of the effect that the loss of production capacity by the United States for ferrochrome, ferromanganese, ferrosilicon (all grades), silicon manganese, chromium metal, and other militarily critical ferroalloy products would have on the industrial base and on industrial preparedness of the United States.

(c) Consultation.—The Secretary shall conduct such study through the Undersecretary of Defense for Policy in consultation with the Director of the Federal Emergency Management Agency and the Secretary of the Interior.

(d) Submission of Report.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report containing the results of the study conducted under subsection (a). Such report shall, to the extent practicable, be unclassified.

PART C—OTHER PROVISIONS

SEC. 1621. SENSE OF THE CONGRESS EXPRESSING SUPPORT FOR THE SELECTIVE SERVICE REGISTRATION PROGRAM

(a) Findings.—The Congress makes the following findings:

(1) The program of peacetime registration of young men under the Military Selective Service Act contributes to the national security by reducing the time required for full defense mobilization.

(2) The Selective Service registration program is an important signal to our allies and to our potential adversaries of the United States defense commitment.

(3) Since the resumption of selective service registration, more than 13,500,000 young men have registered with Selective Service.

(b) Sense of Congress.—In view of these findings, it is the sense of Congress that the President should recognize, by Presidential proclamation, the contribution of our young men to the success of the peacetime registration program.

SEC. 1622. PROHIBITION ON CIVIL SERVICE EMPLOYMENT OF PERSONS WHO FAIL TO REGISTER UNDER THE MILITARY SELECTIVE SERVICE ACT

(a) In General.—(1) Subchapter I of chapter 33 of title 5, United States Code, is amended by adding at the end thereof the following new section:

"§ 3328. Selective Service registration

"(a) An individual—

(1) who was born after December 31, 1959, and is or was required to register under section 3 of the Military Selective Service Act (50 U.S.C. App. 453); and

(2) who is not so registered or knowingly and willfully did not so register before the requirement terminated or became inapplicable to the individual, shall be ineligible for appointment to a position in an executive agency of the Federal Government.

"(b) The Office of Personnel Management, in consultation with the Director of the Selective Service System, shall prescribe regulations to carry out this section. Such regulations shall include provisions prescribing procedures for the adjudication within the Office of determinations of whether a failure to register was knowing and willful. Such procedures shall require that such a determination may not be made if the individual concerned shows by a preponderance of the evidence that the failure to register was neither knowing nor willful.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 3327 the following new item:

"3328. Selective Service registration.".

(b) Report.—(1) The Office of Personnel Management shall submit to Congress a report—

(A) as to whether it is practicable to apply section 3328 of title 5, United States Code (as added by subsection (a)), to persons born before January 1, 1960; and

(B) on the relative costs and benefits of corroborating registration of individuals under the Military Selective Service Act for the purposes of that section on a spot-check basis or on an individual basis.

(2) The report shall be submitted not later than February 1, 1986.

SEC. 1623. AUTHORITY TO PROVIDE COAST GUARD COMMANDANT RESIDENCE-TO-WORK TRANSPORTATION PROVIDED OTHER SERVICE CHIEFS

Effective on October 1, 1985, section 660 of title 14, United States Code, is amended by adding at the end thereof the following new subsection:

"(e) Passenger motor vehicles of the United States may be used to provide transportation between the residence and place of work of the Commandant.".

SEC. 1624. ACCEPTANCE OF CERTAIN VOLUNTEER SERVICES

(a) Extension of Authority to Coast Guard.—Section 1588(a) of title 10, United States Code, is amended—

(1) by striking out "Secretary of a military department" and inserting in lieu thereof "Secretary concerned"; and

(2) by striking out "operated by that military department" and inserting in lieu thereof "operated by the military department concerned or the Coast Guard, as appropriate".

(b) Effective Date.—The amendments made by this section shall take effect on October 1, 1985.

SEC. 1625. AUTHORITY TO EXEMPT CERTAIN PHYSICIANS AT SOLDIERS' AND AIRMEN'S HOME FROM REDUCTIONS IN RETIRED PAY

(a) In General.—The Governor of the United States Soldiers' and Airmen's Home may exempt, at any time, not more than two physicians employed by the Home from the restrictions in subsections (a), (b), and (c) of section 5532 of title 5, United States Code, if the Governor determines that such exemptions are necessary to recruit or retain well-qualified physicians for the Home. An exemption granted under this section shall terminate upon any break in employment with the Home by a physician of three days or more.

(b) Applicability.—An exemption granted to a person under subsection (a) shall apply to the retired pay of that person beginning with the first month after the month in which the exemption is granted.

SEC. 1626. MANAGEMENT OF MILITARY RECORDS MAINTAINED BY THE NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

(a) Findings.—The Congress finds that—

(1) the National Archives and Records Administration has received a substantial number of military records; and

(2) by reason of the manner in which such records are maintained, many of such records are not readily accessible to the public.

(b) Report.—(1) Not later than March 31, 1986, the Archivist of the United States shall submit to Congress a report outlining a plan—

(A) for improving the management, maintenance, storage, and preservation of military records; and

(B) for improving public access to such records.

(2) In preparing the report, the Archivist shall consider recommendations received from—

(A) officials of the military departments responsible for the maintenance and storage of military records; and

(B) interested public groups.

SEC. 1627. ROBERT C. BYRD HONORS SCHOLARSHIP PROGRAM

(a) Designation of Program.—Section 419A of the Higher Education Act of 1965 is amended by striking out "Federal Merit Scholarship Program" and inserting in lieu thereof "Robert C. Byrd Honors Scholarship Program".

(b) Designation of Byrd Scholars.—Section 419C of such Act is amended by adding at the end thereof the following new subsection:

"(d) Individuals awarded scholarships under this subpart shall be known as 'Byrd Scholars'.".

(c) Conforming Amendments.—Section 419E(3) of such Act is amended—

(1) by striking out "Federal"; and

(2) by inserting "under this subpart" after "scholarships".

(d) Clerical Amendment.—The heading of subpart 6 of part A of title IV of such Act is amended to read as follows:

"Subpart 6—Robert C. Byrd Honors Scholarship Program".

SEC. 1628. POSTAGE STAMP COMMEMORATING THE 350th ANNIVERSARY OF THE ESTABLISHMENT OF THE UNITED STATES NATIONAL GUARD

It is the sense of the Senate that the United States Postal Service should issue a postage stamp during 1986 commemorating the 350th anniversary of the establishment of the United States National Guard.

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment, insert the following: "An Act to authorize appropriations for military functions of the Department of Defense and to prescribe military personnel levels for the Department of Defense for fiscal year 1986, to revise and improve military compensation programs, to improve defense procurement procedures, to authorize appropriations for fiscal year 1986 for national security programs of the Department of Energy, and for other purposes.".

And the House agree to the same.

From the Committee on Armed Services on all provisions:

LES ASPIN,
MELVIN PRICE,
WM. L. DICKINSON,

From the Committee on Armed Services on all provisions except sections 711, 713, 933 and 949 of the Senate bill and modifications committed to conference:

CHARLES E. BENNETT,
SAMUEL S. STRATTON,
BILL NICHOLS,
DAN DANIEL,
G.V. MONTGOMERY,
BEVERLY BYRON,
NICHOLAS MAVROULES,
EARL HUTTO,
G. WILLIAM WHITEHURST,
FLOYD SPENCE,
MARJORIE HOLT,
ELWOOD H. HILLIS,
ROBERT BADHAM,
BOB STUMP,
JIM COURTER,

As additional conferees, from the Permanent Select Committee on Intelligence, solely when differences regarding intelligence related activities are under consideration:

LEE H. HAMILTON,
LOUIS STOKES,
DICK CHENEY,

From the Committee on Education and Labor, solely for the consideration of sections 711, 713, 910, 919, 933, 949, 2136 and 2137 of the Senate bill and section 1190 of the House amendment and modifications committed to conference:

Barry Goldwater,
Strom Thurmond,
John Warner,
Gordon J. Humphrey,
Bill Cohen,
Dan Quayle,
John East,
Pete Wilson,
Jeremiah Denton,
Phil Gramm,
Sam Nunn,
John C. Stennis,
Gary Hart,
J. J. Exon,
Carl Levin,
Edward M. Kennedy,
Jeff Bingaman,
Alan J. Dixon,
John Glenn,
Managers on the Part of the Senate.

Augustus F. Hawkins,
William D. Ford,
Dale E. Kildee,
Austin J. Murphy,
W.L. Clay,
Pat Williams,
Jim Jeffords,
Bill Goodling,
Thomas E. Petri,
Steve Bartlett,
Managers on the Part of the House.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1160) to authorize appropriations for the military functions of the Department of Defense and to prescribe personnel levels for the Department of Defense for fiscal year 1986, to authorize certain construction at military installations for such fiscal year, to authorize appropriations for the Department of Energy for national security programs for such fiscal year, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment to the text of the bill struck out all of the Senate bill after the enacting clause and inserted a substitute text.

The Senate recedes from its disagreement to the amendment of the House with an amendment which is a substitute for the Senate bill, and the House amendment. The differences between the Senate bill, the House amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

SUMMARY STATEMENT OF CONFERENCE ACTION

The conferees recommend authorizations for the Department of Defense procurement, research development, test and evaluation, operation and maintenance, and for civil defense, less savings estimated to accrue to the Department of Defense as a result of the repeal of the Walsh/Healy Act that total $215.3 billion. This figure is $15.2 billion below the President's budget request, $0.8 billion above the Senate bill and $8.3 billion above the House amendment.

The conferees have agreed to authorizations for Department of Energy National Security programs that total $7.7 billion. This figure is $0.3 billion below the President's budget request, $47 million above the comparable figure in the Senate bill and $34 million below the figure in the House amendment.

The Defense authorization bill provides authorizations for appropriations but does not provide budget authority. Budget authority will be provided in appropriation bills.

SUMMARY OF AUTHORIZATION IN THE BILL COMPARED TO THE REQUEST FOR FISCAL YEAR 1986

[Amounts in millions of dollars]

Item	Fiscal year 1985 Authorization Act Public Law 98-525	Fiscal year 1986 Request	House Passed	Senate passed	Conference Agreement	Change from request
DOD Authorization bill						
Procurement						
Army:						
Aircraft	3,852.2	3,892.5	3,490.7	3,737.5	3,676.1	(216.4)
Missiles	3,260.0	3,386.7	3,146.7	3,347.7	3,272.7	(114.0)
Weapons and tracked combat vehicles	4,838.6	5,739.1	5,051.3	5,213.3	5,211.0	(528.1)
Ammunition	2,338.9	2,635.0	2,499.4	2,408.3	2,549.0	(86.0)
Other procurement	5,457.7	5,712.8	5,122.2	5,049.5	5,323.5	(389.3)
Army National Guard	50.0	0.0	0.0	0.0		0.0
Total, Army	19,797.4	21,366.1	19,310.3	19,756.3	20,032.3	(1,333.8)
Navy:						
Aircraft	11,053.2	12,062.6	10,137.8	11,344.6	11,599.9	(462.7)

Weapons procurement	4,444.8	5,627.9	5,403.3	5,470.2	5,655.1	27.2
Shipbuilding and conversion	12,153.4	11,411.6	9,492.4	9,926.2	10,001.2	(1,410.4)
Other procurement	5,266.3	6,601.2	5,991.5	5,279.4	6,040.8	(560.4)
Navy Reserve Equipment	20.0	0.0	0.0	0.0		0.0
Procurement, Marine Corps	1,890.7	1,726.8	1,697.4	1,614.8	1,727.4	0.6
Marine Corps Reserve Equipment	20.0	0.0	0.0	0.0		0.0
Total, Navy	34,848.4	37,430.1	32,722.4	33,635.2	35,024.4	(2,405.7)
Air Force:						
Aircraft	26,101.7	26,165.5	22,088.4	24,265.1	24,435.3	(1,730.2)
Missiles	8,605.3	10,862.7	7,407.6	9,274.9	9,008.6	(1,854.1)
Other procurement	8,724.0	9,538.0	8,435.4	8,706.4	8,571.1	(966.9)
Air National Guard	20.0	0.0	0.0	0.0		0.0
Total, Air Force	43,451.0	46,566.2	37,931.4	42,246.4	42,015.0	(4,551.2)
DOD NATO Cooperative Programs	250.0	0.0	117.9	0.0	75.0	75.0
National Guard and Reserve Equipment	0.0	0.0	0.0	332.0	658.4	658.4
Defense agencies	1,180.2	1,391.9	1,290.1	1,318.1	1,342.3	(49.6)
Total, procurement	99,527.0	106,754.3	91,372.1	97,288.0	99,147.4	(7,606.9)

Research, Development, Test and Evaluation

Item	Fiscal year 1985 Authorization Act Public Law 98-525	Fiscal year 1986 Request	House Passed	Senate passed	Conference Agreement	Change from request
Army	4,545.9	5,279.9	4,793.7	4,782.8	4,848.7	(431.2)
Navy (and Marine Corps)	9,401.1	11,264.3	9,637.6	10,468.6	10,106.4	(1,157.9)
Air Force	13,547.3	15,578.5	13,051.2	14,294.7	13,719.7	(1,858.8)
Defense agencies	4,577.3	7,157.4	6,285.3	6,126.3	6,814.0	(343.4)
Total, R.D.T.&E.	32,071.6	39,280.1	33,767.8	35,672.3	35,488.8	(3,791.3)
Operation and Maintenance						
Army	18,626.6	20,190.6	19,172.8	19,230.3	19,177.4	(1,013.2)
Navy	25,449.9	25,797.7	24,423.4	24,732.9	24,608.8	(1,188.9)
Marine Corps	1,648.2	1,667.4	1,623.4	1,628.0	1,626.7	(40.7)
Air Force	19,528.9	20,924.4	20,034.0	20,100.7	20,096.1	(828.3)
Defense agencies	7,127.8	7,568.9	7,606.5	7,503.3	7,553.3	(15.6)
Army Reserve	724.9	779.6	780.1	769.3	780.1	0.5
Navy Reserve	833.7	954.5	896.2	903.8	900.6	(53.9)
Marine Corps Reserve	58.6	61.6	57.3	56.9	57.2	(4.4)
Air Force Reserve	872.7	907.7	907.9	890.3	902.1	(5.6)

Army National Guard........................	1,437.7	1,605.2	1,626.1	1,591.6	1,625.8	20.6
Air Force National Guard..................	1,814.2	1,830.1	1,798.1	1,806.2	1,806.2	(23.9)
National Board for the promotion of rifle practice........................	0.9	0.9	0.9	0.9	0.9	(.0)
Claims, Defense...........................	157.9	158.3	148.3	143.3	143.3	(15.0)
Court of Military Appeals..................	3.4	3.2	3.2	3.2	3.2	0.0
Pan American Games.........................	0	0.0	10.0	0.0	10.0	10.0
Drug interdiction..........................			0.0	0.0	0.0	0.0
Allowance for civilian pay.................			821.0	0.0	0.0	0.0
Aid to Afghanistan.........................			10.0	0.0	0.0	0.0
Total, O&M............................	78,285.4	82,450.2	79,919.2	79,361.1	79,291.7	(3,158.5)
Working Capital Funds						
Army stock fund............................	366.4	442.0	412.0	393.0	393.0	(49.0)
Navy stock fund............................	473.0	716.5	681.5	638.5	638.5	(78.0)
Marine Corps stock fund....................	34.9	42.7	42.7	37.7	37.7	(5.0)
Air Force stock fund.......................	631.8	464.9	439.9	415.9	415.9	(49.0)
Defense stock fund.........................	130.7	193.5	183.5	174.5	174.5	(19.0)
Defense industrial fund....................	0.0	0.0	0.0	0.0	0.0	0.0
Total, Working Capital Funds...........	1,636.9	1,859.6	1,759.6	1,659.6	1,659.6	(200.0)
Civil Defense						
Total, Civil Defense...................	190.0	119.1	141.4	119.1	130.0	10.9

Item	Fiscal year 1985 Authorization Act Public Law 98-525	Fiscal year 1986 Request	House Passed	Senate passed	Conference Agreement	Change from request
General Provisions						
Comm on Merchant Marine and Defense........	1.5	0.0	0.0	0.0	0.0	0.0
Base Closure Fund..........................	0.0	0.0	0.0	1,000.0	0.0	0.0
Illiteracy Commission (Sec. 933)...........			0.0	0.5	0.0	0.0
Procurement Technical Assistance...........			7.5	3.0	5.0	5.0
Repeal of Walsh Healy Act..................				(555.0)	(416.3)	(416.3)
Special foreign currency................	8.7	2.1	2.1	2.1	2.1	0.0
Commission on Defense Procurement..........			0.0	1.0	0.0	0.0
Total, DOD authorization..............	211,721.1	230,465.4	206,969.7	214,551.8	215,308.3	(15,157.1)
Department of Energy National Security Programs						
Weapons activities........................	4,217.1	4,542.1	4,419.3	4,361.6	4,421.6	(120.5)
Verification and control technology........	76.7	93.6	93.6	103.6	101.1	7.5
Materials production......................	1,741.2	1,947.9	1,909.0	1,849.4	1,975.4	(72.5)
Defense waste and by-products management...	723.6	712.8	661.7	660.8	660.7	(52.1)

Nuclear safeguards and security............	62.7	59.9	59.9	59.9	59.9	.0
Security investigations....................	34.0	33.4	33.4	33.4	33.4	0.0
Naval reactors development.................	496.9	569.0	563.5	569.0	564.5	(4.5)
Misc. adjustments..........................	0.0	0.0	(22.3)	0.0	(32.3)	(32.3)
Total, Department of Energy National Security Programs....................	7,352.2	7,958.7	7,718.1	7,637.7	7,684.3	(274.4)
Total, DOD and DOE Authorization.....	219,073.2	238,424.1	214,687.8	222,189.5	222,992.6	(15,431.5)
Summary by Service						
ARMY.......................................	45,499.9	49,664.4	46,095.9	46,524.2	46,858.2	(2,806.2)
NAVY.......................................	72,747.8	77,934.8	70,084.5	72,101.5	73,000.3	(4,934.5)
AIR FORCE..................................	79,845.9	86,271.8	74,162.5	79,754.7	78,955.0	(7,316.8)
DEFENSE AGENCIES...........................	13,435.9	16,475.3	16,477.9	15,602.7	16,776.1	300.8
CIVIL DEFENSE..............................	190.0	119.1	141.4	119.1	130.0	10.9
OTHER......................................	7,353.7	7,958.7	7,725.6	8,087.2	7,273.1	(685.7)
Total	219,073.2	238,424.1	214,687.8	222,189.5	222,992.6	(15,431.5)

NOTES: 1. Totals may not add due to rounding.

In order to relate the conference recommendation to the budget resolution, matters in addition to those addressed in the preceding table must be taken into account.

In addition to defense programs appropriated by dollar amount, the authorization bill establishes personnel levels and includes a number of legislative provisions affecting military compensation. In total, it is estimated that the conference agreement with respect to personnel matters would result in a reduction of $3.1 billion from the President's request.

Additionally, military construction authorizations will be provided in separate legislation.

The table below summarizes action as it relates to National Defense Function.

SUMMARY BY SUBFUNCTION AND FUNCTION
(in billions of dollars)

	Fiscal year 1986 Request	House Passed	Senate passed	Conference Agreement	Change from request
Military Personnel and contingencies.......	73.6	69.1	71.4	70.5	(3.1)
Operation and Maintenance..................	82.5	79.9	79.4	79.3	(3.2)
Working Capital Funds......................	1.9	1.8	1.7	1.7	(0.2)
Procurement................................	106.8	91.4	97.3	99.1	(7.6)
Research and Development...................	39.3	33.8	35.7	35.5	(3.8)
Military Contruction (authorized)...........	10.3	9.6	8.8	9.2	(1.1)
Military Contruction (other)...............	.0	.0	.0	.0	0.0
Other subfunction 051......................	(0.6)	(0.6)	(0.1)	(1.0)	(0.4)
subtotal, subfunction 051....	313.7	284.9	294.1	294.3	(19.4)
Department of Energy Military functions....	8.0	7.7	7.6	7.7	(0.3)
Other subfunction 053......................	0.1	0.1	0.1	0.1	0.0
subtotal, subfunction 053....	8.0	7.8	7.7	7.8	(0.3)
Civil Defense..............................	0.1	0.1	0.1	0.1	.0
Other subfunction 054......................	0.3	0.3	0.3	0.3	0.0
subtotal, subfunction 054....	0.5	0.5	0.5	0.5	.0
Total, function 050........................	322.2	293.2	302.3	302.5	(19.7)

Note: 1. Authorizations for Military Construction are contained in other legislation. The figures in this table assume that the resolution of differences between the House and Senate versions will "split the difference".

2. Totals may not add due to rounding.

AIRCRAFT PROCUREMENT, ARMY

(DOLLARS IN MILLIONS)

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	FIXED WING														
	C-12D (HURON)	0	0.0				0.0	6	12.0	6	12.0	6	12.0	6	12.0
	ROTARY														
4	EH-60A HELICOPTER (QUICKFIX) (MYP)	18	146.4			18	146.4			18	146.4			18	146.4
	LESS: ADVANCE PROCUREMENT (FY)		-27.8				-27.8				-27.8				-27.8
	LESS: PRIOR YEAR AUTHORIZATION TRANSFER		---		-64.0		-64.0		-64.3		-64.3		-64.3		-64.3
	NET		118.6		-64.0		54.6		-64.3		54.3				54.3
5	ADVANCE PROCUREMENT (CY)		24.4				24.4				24.4				24.4
	PRIOR YEAR AUTHORIZATION TRANSFER		---		64.0		64.0				---				---
6	AH-64 ATTACK HELICOPTER (APACHE)	144	1269.2			144	1269.2			144	1269.2			144	1269.2
	LESS: ADVANCE PROCUREMENT (PY)		-91.0				-91.0				-91.0				-91.0
	NET		1178.2				1178.2				1178.2				1178.2
7	ADVANCE PROCUREMENT (CY)		55.3				55.3				55.3				55.3
8	UH-60A (BLACK HAWK) (MYP)	78	414.7			78	414.7			78	414.7			78	414.7
	LESS: ADVANCE PROCUREMENT (PY)		-147.7				-147.7				-147.7				-147.7
	NET		267.0				267.0				267.0				267.0
9	ADVANCE PROCUREMENT (CY)		199.0				199.0				199.0				199.0
	SUBTOTAL, AIRCRAFT		1842.5		0.0		1842.5		-52.3		1790.2		-52.3		1790.2
	MODIFICATION OF AIRCRAFT														
11	OV-1 SURVEILLANCE AIRPLANE (MOHAWK)		27.7				27.7		-20.0		7.7		-5.0		22.7
12	RC-12D RECON AIRPLANE		.5				.5				.5				.5
13	RV-1 RECON AIRPLANE		.5				.5				.5				.5

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
15	AHIS ATTACK HELICOPTER (COBRA-TOW)		124.5				124.5				124.5				124.5
	LESS: PRIOR YEAR AUTHORIZATION TRANSFER		---		-20.0		-20.0		-20.0		-20.0		-20.0		-20.0
	NET		124.5		-20.0		104.5		-20.0		104.5				104.5
	PRIOR YEAR AUTHORIZATION TRANSFER		---		20.0		20.0				---				---
17	CH-47 CARGO HELICOPTER (MYP)		413.2				413.2				413.2		-6.6		406.6
	LESS: ADVANCE PROCUREMENT (PY)		-159.9				-159.9				-159.9				-159.9
	LESS: PRIOR YEAR AUTHORIZATION TRANSFER		---		-20.0		-20.0		-24.1		-24.1		-17.5		-17.5
	NET		253.3		-20.0		233.3		-24.1		229.2				229.2
18	ADVANCE PROCUREMENT (CY)		124.8				124.8				124.8				124.8
	PRIOR YEAR AUTHORIZATION TRANSFER		---		20.0		20.0				---				---
19	CH-54 CARGO HELICOPTER (TARHE)		.5				.5				.5				.5
23	UH-1 UTILITY HELICOPTER (IROQUOIS)		12.2				12.2				12.2				12.2
24	UH-60A (BLACK HAWK) MODS		15.4				15.4				15.4				15.4
25	ARMY HELICOPTER IMPROVEMENT PROGRAM (AHIP)		206.0				206.0				206.0				206.0
	LESS: ADVANCE PROCUREMENT (PY)		-47.2				-47.2				-47.2				-47.2
	NET		158.8				158.9				158.8				158.8
26	ADVANCE PROCUREMENT (CY)		51.8				51.8				51.8				51.8
29	AIRBORNE AVIONICS		1.0				1.0				1.0				1.0
30	MODIFICATIONS UNDER $900,000 (AIRCRAFT)		.1				.1				.1				.1
31	ACFT 9WW		17.0				17.0				17.0				17.0
	GROUND PROXIMITY WARNING SYSTEM		(0.0)				(0.0)				(3.0)		(3.0)		(3.0)
	SUBTOTAL, MODIFICATION OF A/C		786.1		0.0		786.1		-64.1		724.0		-49.1		739.0
32	SPARES AND REPAIR PARTS		949.7		-100.0		849.7		-100.0		849.7		-100.0		849.7
	SUPPORT EQUIPMENT AND FACILITIES														
33	AVIONICS SUPPORT EQUIPMENT		67.8				67.8				67.8				67.8
34	COMMON GROUND EQUIPMENT		35.0				35.0				35.0				35.0

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
35	AIR TRAFFIC CONTROL		9.4				9.4				9.4				9.4
36	SYNTHETIC FLIGHT TRAINING SYSTEMS	7	131.6			7	131.6			7	131.6			7	131.6
37	INDUSTRIAL FACILITIES		61.9				61.9				61.9				61.9
39	WAR CONSUMABLES		6.5				6.5				6.5				6.5
	UNDISTRIBUTED REDUCTION		---		-10.0		-10.0				---		-10.0		-10.0
	SUBTOTAL, SUPPORT EQUIPMENT & FACILITIES		312.2		-10.0		302.2		0.0		312.2		-10.0		302.2
	FY 87 AND SUBSEQUENT YEARS INFLATION		---				---		-180.4		-180.4				---
	INFLATION REESTIMATE FOR FY 86		---		-5.0		-5.0		-5.0		-5.0		-5.0		-5.0
	PRIOR YEAR PROGRAM SAVINGS		---		-40.0		-40.0		---		---				---
	TOTAL, ARMY AIRCRAFT		3892.5		-155.0		3737.5		-401.8		3490.7		-216.4		3676.1

C-12D cargo aircraft (Huron)

No authorization was requested for C-12D aircraft in fiscal year 1986. The House amendment would authorize $12.0 million for procurement of 6 C-12D aircraft in fiscal year 1986. The Senate bill contained no authorization for procurement of C-12D aircraft in fiscal year 1986.

The conferees recommend authorization of $12.0 million for procurement of 6 C-12D aircraft in fiscal year 1986. In addition, the conferees agreed to include a provision (section 151) requiring competitive procurement of all C-12 aircraft in fiscal year 1986. This competition is restricted to turboprop aircraft.

EH-60A utility helicopter (Quickfix)

The budget request contained $118.6 million for procurement of 18 aircraft in fiscal year 1986, including $24.4 million for advance procurement of 18 aircraft in fiscal year 1987. The House amendment would authorize $54.3 million for procurement of 18 aircraft in fiscal year 1986 and a prior year authorization transfer of $64.3 million. The Senate bill would authorize $54.6 million for procurement of 18 aircraft in fiscal year 1986, including $24.4 million for advance procurement of 18 aircraft in fiscal year 1987, and a prior year authorization transfer of $64.0 million.

The conferees recommend authorization of $54.3 million for procurement of 18 aircraft in fiscal year 1986, including $24.4 for advance procurement of 18 aircraft in fiscal year 1987 and a prior year authorization transfer of $64.3 million.

Modification of Army aircraft

The budget request contained $788.1 million for Army aircraft modifications for fiscal year 1986, including $27.7 million for OV-1 modifications; $124.5 million for AH-1A modifications; and $253.3 million for CH-47 modifications, including $124.8 million for advance procurement for fiscal year 1987. The House amendment would authorize $724.0 million for Army aircraft modifications, including $7.7 million for OV-1 modifications; $104.5 million for AH-1A modifications; $229.2 million for CH-47 modifications, including $124.8 million for advance procurement for fiscal year 1987. The Senate bill would authorize $788.1 million for Army aircraft modification, including $27.7 million for OV-1 modification; $104.5 million for AH-1S modification; $233.3 million for CH-47 modification, including $124.8 million for advance procurement for fiscal year 1987.

The conferees recommend authorization of $739.0 million for Army aircraft modifications, including $22.7 million for OV-1 modification; $104.5 million for AH-1S modification; $229.2 million CH-47 modification, including $124.8 million for advance procurement for fiscal year 1987.

AH-64 (Apache) helicopter

The report (H. Rept. 99-81) accompanying the House amendment earmarked 18 of the 144 AH-64 helicopters authorized in fiscal year 1986 to the Army National Guard. The Senate bill and the accompaning report (S. Rept. 99-41) contained no similar language.

The conferees agreed with the House recommendation, only if sufficient appropriations are provided for the procurement of 144 AH-64 helicopters in fiscal year 1986.

Ground proximity warning system

The report (House Report 99-81) accompanying the House amendment directed that within the amounts authorized for Army aircraft procurement in fiscal year 1986 and prior years, $3.0 million should be used for the procurement of second generation or better ground proximity warning system hardware and associated aircraft modifications. The Senate report (Senate Report 99-41) contained no similar language.

The conferees recommend that $3.0 million may be used for such purposes on a discretionary basis.

Army aircraft support equipment and facilities

The budget request contained $312.2 million for Army aircraft support equipment and facilities in fiscal year 1986. The House amendment would authorize $312.2 million for Army aircraft support equipment and facilities. The Senate bill would authorize $302.2 million for this purpose.

The conferees recommend authorization of $302.2 million for Army aircraft support equipment and facilities in fiscal year 1987.

Army aircraft transfer from prior year

The Senate bill would authorize a general transfer of prior year funds in the amount of $40.0 million. The House amendment contained no authorization for transfer of prior year funds.

The Senate recedes.

MISSILE PROCUREMENT, ARMY

(DOLLARS IN MILLIONS)

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED: CHANGE FROM REQUEST		S. 1160 AS PASSED: RECOMMENDATION		H.R. 1872 AS PASSED: CHANGE FROM REQUEST		H.R. 1872 AS PASSED: RECOMMENDATION		CONFERENCE: CHANGE FROM REQUEST		CONFERENCE: RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	SURFACE-TO-AIR MISSILE SYSTEMS														
1	CHAPARRAL	300	110.4			300	110.4		87.0	300	197.4			300	110.4
2	OTHER MISSILE SUPPORT		5.0				5.0				5.0				5.0
3	PATRIOT	585	983.4			585	983.4			585	983.4			585	983.4
4	STINGER	3439	304.1			3439	304.1	-530	-60.0	2909	244.1	-530	-60.0	2909	244.1
	AIR-TO-SURFACE MISSILE SYSTEM														
5	LASER HELLFIRE SYSTEM	6576	250.7			6576	250.7			6576	250.7			6576	250.7
	ANTI-TANK/ASSAULT MISSILE SYSTEM														
6	TOW 2	20100	226.9			20100	226.9	-5100	-35.0	15000	191.9			20100	226.9
7	ADVANCE PROCUREMENT (CY)		22.0				22.0				22.0				22.0
8	PERSHING		[ ]				[ ]				[ ]				[ ]
9	MULTIPLE LAUNCH ROCKET SYSTEM (MYP)	72000	579.5			72000	579.5			72000	579.5		-15.0	72000	564.5
	LESS: ADVANCE PROCUREMENT (PY)		-71.7				-71.7				-71.7				-71.7
	NET		507.8				507.8				507.8				492.8
10	ADVANCE PROCUREMENT (CY)		41.0				41.0				41.0				41.0
	SUBTOTAL, OTHER MISSILES		2786.0		0.0		2786.0		-8.0		2778.0		-75.0		2711.0
	MODIFICATION OF MISSILES														
12	PATRIOT		17.2				17.2				17.2				17.2
13	CHAPARRAL		112.9				112.9				112.9				112.9
14	HAWK		54.1				54.1				54.1				54.1
15	TOW		37.8				37.8				37.8				37.8
	SUBTOTAL, MODIFICATION OF MISSILES		222.0		0.0		222.0		0.0		222.0		0.0		222.0

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
21	SPARES AND REPAIR PARTS		322.0		-10.0		312.0		-10.0		312.0		-10.0		312.0
	SUPPORT EQUIPMENT AND FACILITIES														
22	AIR DEFENSE TARGETS		21.0				21.0				21.0				21.0
23	ITEMS LESS THAN $900,000 (MISSILES)		3.8				3.8				3.8				3.8
24	PRODUCTION BASE SPT		29.9				29.9				29.9				29.9
25	OTHER PRODUCTION CHARGES		2.0				2.0				2.0				2.0
	SUBTOTAL, SUPPORT EQUIPMENT & FACILITIES		56.7		0.0		56.7		0.0		56.7		0.0		56.7
	FY 87 AND SUBSEQUENT YEARS INFLATION		---		---		---		-193.0		-193.0				---
	INFLATION REESTIMATE FOR FY 86		---		-4.0		-4.0		-4.0		-4.0		-4.0		-4.0
	PRIOR YEAR PROGRAM SAVINGS		---		-25.0		-25.0		-25.0		-25.0		-25.0		-25.0
	TOTAL, ARMY MISSILES		3386.7		-39.0		3347.7		-240.0		3146.7		-114.0		3272.7

Chaparral missile system

The budget request contained $110.4 million for procurement of 300 Chaparral missiles. The House amendment would authorize $197.4 million for procurement of 300 Chaparral missiles, and 36 Chaparral fire units for the Army National Guard. The Senate bill would authorize $110.4 million for procurement of 300 Chaparral missiles.

The conferees agreed to authorize $110.4 million for procurement of 300 Chaparral missiles. Section 104 contains authorization of $58.4 million for 24 Chaparral fire units for the Army National Guard.

Stinger missile

The budget request contained $304.1 million for procurement of 3,439 Stinger missiles. The House amendment would authorize $244.1 million for procurement of 2,909 Stinger missiles. The Senate bill would authorize $304.1 million for procurement of 3,439 Stinger missiles.

The conferees agreed to authorize $244.1 million for procurement of 2,909 Stinger missiles.

The Senate recedes.

The conferees understand that the Pedestal-Mounted Stinger (PMS) program is directed toward improving the mobility and survivability of the man-portable air defense system. The conferees are concerned, however, that this program is being initiated prematurely to satisfy a special requirement for the 9th Infantry Division (motorized) and is not based on a comprehensive program of total Army requirements. Therefore, the conferees recommend no authorization for the procurement of PMS and direct that the program be clearly defined in the fiscal year 1987 budget submission based on total Army requirements.

TOW II missile

The Budget request contained $226.9 million for procurement of 20,100 TOW II missiles. The House amendment would authorize $191.9 million for procurement of 15,000 TOW II missiles. The Senate bill would authorize $226.9 million for procurement of 20,100 TOW II missiles.

The conferees agreed to authorize $226.9 million for procurement of 20,100 TOW II missiles.

The House recedes.

Multiple launch rocket system

The budget request contained $507.8 million for procurement of 72,000 rockets and self-propelled launcher loaders, and $41 million for advance procurement for fiscal year 1987. The House amendment would authorize $507.8 million for procurement of rockets and self-propelled launcher loaders, and $41 million for advance procurement. The Senate bill would authorize $507.8 million for procurement of rockets and self-propelled launcher loaders, and $41 million for advance procurement.

Based on anticipated savings from multiyear contracts, the conferees reduced by $15 million the authorization for procurement in fiscal year 1986. The conferees agreed to authorize $492.8 million for procurement of 72,000 rockets and self-propelled launcher loaders, and $41 million in advance procurement.

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

(DOLLARS IN MILLIONS)

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	TRACKED COMBAT VEHICLES														
1	CARRIER, COMMAND POST LIGHT, FT, M577A	115	23.6			115	23.6			115	23.6			115	23.6
2	CARRIER, PERSONNEL, FT, ARM, M113A2	325	82.9			325	82.9			325	82.9			325	82.9
3	BRADLEY FIGHTING VEHICLES (MYP)	716	1024.6			716	1024.6			716	1024.6		-25.0	716	999.6
	LESS: ADVANCE PROCUREMENT (PY)		-17.6				-17.6				-17.6				-17.6
	NET		1007.0				1007.0				1007.0				982.0
4	ADVANCE PROCUREMENT (CY)		27.6				27.6				27.6				27.6
5	BRADLEY FVS TRAINING DEVICES		79.4				79.4				79.4				79.4
6	FIELD ARTILLERY AMMO SUPPORT VEHICLE	197	101.5	-197	-101.5	0	0.0	-17	-13.2	180	88.3	-47	-29.5	150	72.0
8	RECOVERY VEHICLE, MED, FT, M88A1	240	215.8			240	215.8	-60	-53.0	180	162.8	-30	-27.0	210	188.8
9	ABRAMS TANK SERIES ROLL (MYP)	840	2063.2			840	2063.2			840	2063.2		-97.0	840	1966.2
	LESS: ADVANCE PROCUREMENT (PY)		-313.6				-313.6				-313.6				-313.6
	LESS: PRIOR YEAR AUTHORIZATION TRANSFER		---				---		-77.9		-77.9		-77.9		-77.9
	NET		1749.6				1749.6		-77.9		1671.7				1574.7
10	ADVANCE PROCUREMENT (CY)	(840)	359.2			(840)	359.2			(840)	359.2		-11.0	(840)	348.2
11	M60 SERIES TANK TRAINING DEVICES		20.4				20.4				20.4				20.4
12	M1 SERIES TANK TRAINING DEVICES		65.6				65.6				65.6				65.6
	MODIFICATION OF TRACKED COMBAT VEHICLES														
---	IMPROVED TOW VEHICLE (ITV) MOD		0.0				0.0	138	30.0	138	30.0				0.0
13	CARRIER, MOD		56.2				56.2				56.2				56.2
15	FIST VEHICLE (MOD)		80.8				80.8				80.8				80.8
16	BFVS SERIES (MOD)		19.0				19.0				19.0				19.0
17	HOWITZER, MED SP FT 155MM M109 SER (MOD)		25.4				25.4				25.4				25.4
19	ARMORED VEH LAUNCH BRIDGE (AVLB) (MOD)		20.4				20.4				20.4				20.4

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
20	TANK, COMBAT, FT, 105MM GUN, M60 (MOD) (MYP)		130.6		-20.0		110.6				130.6		-14.0		116.6
22	105MM TANK GUN (MOD)		6.0				6.0		-6.0		0.0		-6.0		0.0
23	TANK, M1 SERIES (MOD)		70.1				70.1				70.1				70.1
24	ROBOTIC OBST BREACHING ASSAULT TANK (MOD)		17.8		-17.8		0.0		-8.2		9.6		-8.2		9.6
	SUPPORT EQUIPMENT AND FACILITIES														
25	SPARES AND REPAIR PARTS		649.0		-30.0		619.0		-12.5		636.5		-21.0		628.0
26	VALUE ENGINEERING		1.0				1.0				1.0				1.0
27	ITEMS LESS THAN $900,000 (TCV-WTCV)		.8				.8				.8				.8
28	PRODUCTION BASE SUPPORT (TCV-WTCV)		95.8		-10.0		85.8				95.8		-5.0		90.8
	SUBTOTAL, TRACKED COMBAT VEHICLES		4905.5		-179.3		4726.2		-140.8		4764.7		-321.6		4583.9
	WEAPONS AND OTHER COMBAT VEHICLES														
30	SERGEANT YORK DIVAD GUN	117	506.5	-80	-256.5	37	250.0	-45	-156.5	72	310.0	-45	-196.5	72	310.0
	LESS: ADVANCE PROCUREMENT (PY)		-100.0				-100.0				-60.0		40.0		-60.0
	LESS: PRIOR YEAR AUTHORIZATION TRANSFER		---				---		-40.0		-40.0		-40.0		-40.0
	NET		406.5		-256.5		150.0		-196.5		210.0				210.0
31	ADVANCE PROCUREMENT (CY)		11.0				11.0				11.0				11.0
33	ARMOR MACHINE GUN, 7.62MM M240	4924	27.1			4924	27.1			4924	27.1			4924	27.1
34	SQUAD AUTOMATIC WEAPON (SAW) 5.56MM	6000	14.5			6000	14.5			6000	14.5			6000	14.5
35	GRENADE LAUNCHER, AUTO, 40MM, MK19-3	821	9.0			821	9.0			821	9.0			821	9.0
36	LAUNCHER, SMOKE GRENADE	3177	2.1			3177	2.1			3177	2.1			3177	2.1
37	MORTAR, 81MM, XM252	187	6.1			187	6.1	-187	-6.1	0	0.0			187	6.1
38	MORTAR, 120 MM	63	5.0			63	5.0	-63	-5.0	0	0.0		-5.0		0.0
39	M16 RIFLE	71990	39.3			71990	39.3		2.5	71990	41.8		2.5	71990	41.8
40	PERSONAL DEFENSE WEAPON, 9MM	25400	7.5	-25400	-7.5	0	0.0			25400	7.5			25400	7.5
41	VEH RAPID FIRE WPN--BUSHMASTER (MYP)	715	45.6			715	45.6			715	45.6			715	45.6
42	ADVANCE PROCUREMENT (CY)		8.3				8.3				8.3				8.3
43	TANK MUZZLE BORESIGHT DEVICE	2327	4.6			2327	4.6			2327	4.6			2327	4.6

MODIFICATION OF WEAPONS AND OTHER COMBAT VEHICLES

44	DIVAD (MODS)		.5		-.5		0.0		-.5		0.0		-.5		0.0
45	HOWITZER, 155MM, M114A2 (MOD)		1.7				1.7				1.7				1.7
46	M16A1 RIFLE MODS		3.3				3.3				3.3				3.3
48	MODIFICATIONS UNDER $900,000 (WOCV-WTCV)		.8				.8				.8				.8
	SUPPORT EQUIPMENT AND FACILITIES														
49	SPARES AND REPAIR PARTS		183.6				183.6				183.6				183.6
50	ITEMS LESS THAN $900,000 (WOCV-WTCV)		2.9				2.9				2.9				2.9
51	PRODUCTION BASE SUPPORT (WOCV-WTCV)		51.4				51.4				51.4				51.4
53	5.56 CARBINE XM4	4685	2.8			4685	2.8	-4685	-2.8	0	0.0			4685	2.8
	SUBTOTAL, WEAPONS & OTHER COMBAT VEHICLES		833.6		-264.5		569.1		-208.4		625.2		-199.5		634.1
	FY 87 AND SUBSEQUENT YEARS INFLATION		---				---		-331.6		-331.6				---
	INFLATION REESTIMATE FOR FY 86		---		-7.0		-7.0		-7.0		-7.0		-7.0		-7.0
	PRIOR YEAR PROGRAM SAVINGS		---		-75.0		-75.0		---		---				---
	TOTAL, ARMY WEAPONS & TRACKED COMBAT VEHICLES		5739.1		-525.3		5213.3		-687.3		5051.3		-528.1		5211.0

Bradley fighting vehicle

The budget request contained $1,007 million for procurement of 716 Bradley Fighting Vehicles, and $27.6 million for advance procurement to support procurement in fiscal year 1987. The House amendment would authorize $1,007 million for procurement of 716 Bradley Fighting Vehicles, and $27.6 million for advance procurement. The Senate bill would authorize $1,007 million for procurement of 716 Bradley Fighting Vehicles, and $27.6 million for advance procurement.

Based on anticipated savings from multiyear contracts, the conferees reduced by $25.0 million the authorization for procurement in fiscal year 1986. The conferees agreed to authorize $982 million for procurement of 716 Bradley Fighting Vehicles, and $27.6 million for advance procurement.

Field artillery ammunition support vehicle (FAASV)

The budget request contained $101.5 million to procure 197 Field Artillery Ammunition Support Vehicles (FAASV). The House amendment would authorize $88.3 million for procurement of 180 FAASVs. The Senate bill contained no authorization for the FAASV.

The Army's acquisition strategy associated with the fiscal year 1986 budget included a competitive multiyear contract award. The Army, however, has not yet performed an economic analysis that justifies the proposed strategy as cost effective.

The report (House Report 99-81) accompanying the House amendment directs the Secretary of the Army to submit to the Congress an economic analysis justifying the advantages of a competitive multiyear strategy for the FAASV prior to embarking on such a competition. This analysis should include consideration of maintaining a production base for FAASVs and self-propelled howitzers. The Senate Report (Senate Report 99-41) contained no similar direction. The Senate recedes.

The conferees agreed to authorize $72.0 million for procurement of 150 FAASVs.

M88A1 recovery vehicle

The budget request contained $215.8 million for procurement of 240 M88A1 recovery vehicles. The House amendment would authorize $162.8 million for procurement of 180 M88A1 recovery vehicles. The Senate bill would authorize $215.8 million for procurement of 240 M88A1 recovery vehicles.

The conferees agreed to authorize $188.8 million for procurement of 210 M88A1 recovery vehicles.

M1 Abrams tank

The budget request contained $1,749.6 million for procurement of 840 M1 tanks, and $359.2 million for advance procurement to support the production of 840 tanks in fiscal year 1987. The House amendment would authorize $1,671.7 million and $359.2 million for advance procurement. The House amendment also would authorize $52.6 million of fiscal year 1984 contract savings to be transferred forward to fiscal year 1986. Additionally, the House amendment would authorize $25.3 million from proceeds of foreign military sales of M48A5 tanks in fiscal year 1985 to be transferred forward to fiscal year 1986. The Senate bill would authorize $1,749.6 million for procurement, and $359.2 million for advance procurement.

The conferees were informed by the Department of the Army that additional contract savings of $97 million are anticipated in fiscal year 1986. The conferees, therefore, recommend authorization of $1,574.7 million for procurement of 840 tanks in fiscal year 1986, and $348.2 million for advance procurement. The conferees also recommend authorizing the transfer forward of $52.6 million of fiscal year 1984 contract savings, and $25.3 million from proceeds of foreign military sales of M48A5 tanks.

M1/BFVS subsystem

The report (S. Report 99-41) accompanying the Senate bill directed the Secretary of the Army to submit a report to the Committees on Armed Service of the Senate and the House of Representatives by January 1, 1986 regarding the feasibility of establishing second source manufacturers for M1 and BFVS subsystems.

The House report (H. Report 99-81) contained no similar language.

The House recedes.

Modification of tracked combat vehicles

The budget request contained $426.3 million for modification of tracked combat vehicle, including $130.6 million for M60 tank modifications, $6.0 million for 105mm tank gun modifications, and $17.8 million for ROBAT.

The House amendment would authorize $442.1 million for modification of tracked combat vehicles, including $30.0 million for Improved TOW Vehicles, $130.6 million for M60 tank modification, and $9.6 million for ROBAT. The House amendment contained no authorization for the 105mm tank gun modifications. The Senate bill would authorize $388.5 million for modification of tracked combat vehicles, including $110.6 million for M60 tank modifications and $6.0 million for 105mm tank gun modifications. The Senate bill contained no authorization for procurement of ROBAT.

The conferees agreed to authorize $398.1 million for modification of tracked combat vehicles, including $116.6 million for M60 tank modifications, and $9.6 million for ROBAT. The conferees agreed to provide no authorization for the 105mm tank gun modification program. Section 104 contains authorization of $15 million for Improved TOW Vehicles for the Army National Guard.

Support equipment and facilities

The budget request contained $746.6 million for support equipment and facilities, including $649.0 million for spares and repair parts, and $95.8 million for production base support.

The House amendment would authorize $734.1 million for support equipment and facilities, including $636.5 million for spares and repair parts, and $95.8 million for production base support. The Senate bill would authorize $706.6 million for support equipment and facilities, including $619.0 million for spares and repair parts, and $85.8 million for production base support.

The conferees agree to authorize $720.6 million for support equipment and facilities, $628.0 million for spares and repair parts, and $90.8 million production base support.

Sergeant York gun

The budget request contained $406.5 million for procurement of 117 Sergeant York guns, and $11 million for advance procurement. The House amendment authorized $210.0 million for procurement of 72 Sergeant York guns and authorized the transfer of $40.0 million in prior year authorizations to be applied to the fiscal year 1986 weapons and other combat vehicles. The House amendment also authorized $11 million for advanced procurement. The Senate bill authorized $150.0 million for procurement of 37 Sergeant York guns and $11 million for advance procurement.

The conferees agreed to authorize $210.0 million for procurement of 72 Sergeant York guns and to authorize the transfer of $40.0 million in prior year authorizations to be applied to the fiscal year 1986 weapons and other combat vehicles. The conferees also recommend authorization of $11 million for advance procurement.

The Senate recedes. The conferees also direct that 12 of the 72 fire units authorized in fiscal year 1986 be used to equip the first Army National Guard Sergeant York Battery. No fire units, however, may be fielded to National Guard units until the forward-deployed forces scheduled to receive the Sergeant York have been provided their authorized levels of equipment.

XM252-81mm mortar

The budget request contained $6.1 million for procurement of 187 81 millimeter mortars. The House amendment contained no authorization for procurement of 81 millimeter mortars. The Senate bill would authorize $6.1 million for procurement of 187 81 millimeter mortars.

The conferees agreed to authorize $6.1 million for 187 81 millimeter mortars.

The House recedes.

120mm mortars

The budget request contained $5.0 million for procurement of 63 120 millimeter mortars. The House amendment contained no authorization for 120 millimeter mortars. The Senate bill would authorize $5.0 million for procurement of 63 120 millimeter mortars.

The conferees agreed that no authorization be provided for procurement in fiscal year 1986. The conferees, however, would welcome a fiscal year 1986 reprogramming request for the 120mm mortars after the completion of the following actions:

1. The Mortar Master Plan has been delivered to the Congress;
2. The Army ensures competition among the bidders;
3. The Army provides for the purchase and validation of the technical data package for manufacture in the U.S.;
4. The Army conducts a cost-effectiveness analysis for the domestic manufacturing of the winning 120mm technical data package.

The conferees agreed that an appraisal of the manufacturing participation by the U.S. Army's arsenal system should be addressed in the cost-effectiveness analysis. This appraisal shall be evaluated in accordance with decision #B175703 (July 23, 1973) by the Comptroller General specifying allowable costs in government facilities for purposes of comparing government and private costs.

M16A2 rifle

The budget request contained $39.3 million for procurement of 71,990 M16A2 rifles. The House amendment would authorize $41.8 million for procurement of 71,990 M16A2 rifles and initiation of procurement of an optical sight. The Senate bill would authorize $39.3 million for procurement of 71,990 M162A rifles.

The conferees agreed to authorize $41.8 million for procurement of 71,990 M16A2 rifles, and initiation of procurement of an optical sight.

The conferees agreed that an optical sight for the M-16 rifles is a practical product improvement that could enhance the capabilities of individual soldiers.

The conferees recommend that the Army select a sight on a basis of a full and open competition.

The Senate recedes.

9mm personal defense weapon

The budget request contained $7.5 million for procurement of 25,400 9mm personal defense weapons. The House amendment would authorize $7.5 million for procurement of 25,400 9mm personal defense weapons. The Senate bill contained no authorization for the 9mm personal defense weapons.

The conferees agree to authorize $7.5 million for procurement of 25,400 9mm personal defense weapons.

The Senate recedes.

Associated with the authorization for procurement of 9mm handguns, the conferees direct that the Army, as the executive agent for the Department of Defense, accelerate the remaining procurement actions associated with the conversion of the military services to 9mm handguns.

The conferees understand that a number of future procurements remain outside the scope of the existing five-year multiyear contract and are not presently planned for at least three years. Thus, the conferees direct that the Army initiate a study of all the remaining necessary procurement and design efforts during fiscal year 1986. For the remaining procurements, maximum use of competition and standardization are to be emphasized. The conferees note that this approach is consistent with previous congressional direction.

The conferees would welcome reprogramming during fiscal year 1986 to accelerate these actions. The fiscal year 1987 request should also include funds to continue these actions.

The conferees also direct that funds for the procurement of 9mm handguns may not be obligated until the lawsuits pending on the date of enactment are resolved by settlement or trial judgment, or on December 31, 1985, whichever is sooner.

Support equipment and facilities

The budget request contained $240.7 million for support equipment and facilities, including $2.8 million for procurement of 4,685 5.56mm carbines (XM4). The House amendment would authorize $237.9 million for support equipment and facilities, but no authorization for 5.56mm carbines. The Senate bill would authorize $240.7 million for support equipment and facilities, including $2.8 million for procurement of 4,685 5.56mm carbines.

The conferees authorized $2.8 million for procurement of 4,685 5.56mm carbines.

The House recedes, and the conferees direct that no funds be obligated for the procurement of the XM4 Carbine until the Secretary of the Army submits to the Committees on Armed Services of the Senate and the House of Representatives a detailed report concerning total Army requirements and the planned procurement objectives for the XM4 Carbine.

Army weapons and tracked combat vehicles

The Senate bill would authorize a transfer of prior year funds in the amount of $75.0 million. The House amendment contained no authorization for transfer of prior year funds.

The Senate recedes.

PROCUREMENT OF AMMUNITION, ARMY

(DOLLARS IN MILLIONS)

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1672 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	AMMUNITION														
	ATOMIC MATERIEL														
1	NUCLEAR WEAPONS SUPPORT MATERIEL		5.2				5.2				5.2				5.2
	CONTROLLED ITEMS														
4	CTG, 5.56MM, BALL M193	114863	18.1			114863	18.1			114883	18.1			114883	18.1
5	CTG, 5.56MM, BLANK M200	84807	12.0			84807	12.0			84807	12.0			84807	12.0
6	CTG, 5.56MM, BLK M200, LKD F/SAW	8637	2.2			8637	2.2	3278	.8	11915	3.0	3278	.8	11915	3.0
7	CTG, 5.56MM, 4/B M855/1 TRCR M856 LKD	26884	9.6			26884	9.6			26884	9.6			26864	9.6
8	CTG, 5.56MM, BALL M16-A2	96289	25.0			96289	25.0			96289	25.0			96289	25.0
9	CTG, 5.56MM, TRACER M16-A2	21456	6.5			21456	6.5			21456	6.5			21456	6.5
10	CTG, 7.62MM, TRACER M62 LKD	1439	.5			1439	.5			1439	.5			1439	.5
12	CTG, 7.62MM, 4 BALL M80/1 TRCR M62 LKD	84525	25.0			84525	25.0	2839	.8	87364	25.8	2839	.8	87364	25.8
13	CTG, 7.62MM, BALL M80 LKD/M13	2428	.7			2428	.7			2428	.7			2428	.7
14	CTG, 7.62MM, LKD 4 BALL ITRACER OHF	4007	1.4			4007	1.4	1730	.6	5737	2.0	1730	.6	5737	2.0
16	CTG, 7.62MM, SPEC BALL M118	6433	1.9			6433	1.9			6433	1.9			6433	1.9
17	CTG, CAL .22, BALL LR	136179	2.7			136179	2.7			136179	2.7			136179	2.7
18	CTG, 9MM, BALL	8312	1.4	-8312	-1.4	0	0.0			8312	1.4			8312	1.4
19	CTG, CAL .45, BALL M1911	18759	2.2			18759	2.2			18759	2.2			18759	2.2
20	CTG, CAL .45, MATCH GRADE	5120	.8			5120	.8			5120	.8			5120	.8
22	CTG, CAL .50, LKD 4 BALL/1 TRCR W/M15A	6560	9.6			6560	9.6	1197	1.7	7757	11.3	1197	1.7	7757	11.3
23	CTG, CAL .50, AFIT, M20 LKD	834	1.4			834	1.4			834	1.4			834	1.4
24	CTG, CAL .50, BALL LKD	2160	2.4			2160	2.4	1174	1.4	3334	3.8	1174	1.4	3334	3.8
25	CTG, CAL .50, BLK,M1A1,LKD W/M9LK F/M2	19582	15.0			19582	15.0	-19582	-15.0	0	0.0	-19582	-15.0	0	0.0
27	CTG, CAL .50, LKD TRACER M17	2882	4.1			2882	4.1	-2882	-4.1	0	0.0	-2882	-4.1	0	0.0
28	CTG, CAL .50, LKD 4/B/1 TRACER W/M9LK	33124	44.4			33124	44.4	6281	8.1	39405	52.5		3.6		48.0
29	CTG, 20MM, LKD TP-T M220 SERIES MLB M1	5175	19.3			5175	19.3	-2994	-11.4	2181	7.9	-2994	-11.4	2181	7.9
31	CTG, 25MM, HEI-T M792 W/F	648	18.9			648	18.9			648	18.9			648	18.9
32	CTG, 25MM, APDS-T M791 W/M28(MYP)	455	11.1			455	11.1			455	11.1			455	11.1
33	CTG, 25MM, TPT LKD M793 MLB M28	2400	37.7			2400	37.7			2400	37.7			2400	37.7

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST QTY	FISCAL YEAR 1986 REQUEST AMOUNT	S. 1160 AS PASSED CHANGE FROM REQUEST QTY	S. 1160 AS PASSED CHANGE FROM REQUEST AMOUNT	S. 1160 AS PASSED RECOMMENDATION QTY	S. 1160 AS PASSED RECOMMENDATION AMOUNT	H.R. 1872 AS PASSED CHANGE FROM REQUEST QTY	H.R. 1872 AS PASSED CHANGE FROM REQUEST AMOUNT	H.R. 1872 AS PASSED RECOMMENDATION QTY	H.R. 1872 AS PASSED RECOMMENDATION AMOUNT	CONFERENCE CHANGE FROM REQUEST QTY	CONFERENCE CHANGE FROM REQUEST AMOUNT	CONFERENCE RECOMMENDATION QTY	CONFERENCE RECOMMENDATION AMOUNT
35	CTG, 30MM, LKD HEDP M769 W/FUZE(MYP)	881	26.0			881	26.0	-881	-26.0	0	0.0		-21.0		5.0
36	CTG, 30MM, LKD TP M788(MYP)	369	3.8			369	3.8	488	5.5	857	9.3	488	5.5	857	9.3
38	CTG, 40MM, TP-T M813 F/SGT YORK(MYP)	144	11.3	-144	-11.3	0	0.0	-68	-5.3	76	6.0	-68	-5.3	76	6.0
40	CTG, 40MM, HE W/PROX M822	144	31.0	-144	-31.0	0	0.0	-60	-13.0	84	18.0	-60	-13.0	84	18.0
41	CTG, 40MM, HEDP M430	2047	48.8			2047	48.8	440	4.0	2487	52.8		1.2		50.0
42	CTG, 40MM, TP F/MK19	485	4.8			485	4.8			485	4.8			485	4.8
43	CTG, 40MM, PRAC M781	2478	6.0			2478	6.0		-1.4	2478	4.6		-1.4	2478	4.6
44	CTG, 75MM, BLANK, M337A1 F/HOWITZER	174	2.8			174	2.8			174	2.8			174	2.8
46	CTG, 81MM, ILLUM IUK XM853	103	15.7			103	15.7	-103	-15.7	0	0.0			103	15.7
47	CTG, 81MM, HE IUK W/FUZE	170	31.7			170	31.7	-170	-31.7	0	0.0			170	31.7
48	CTG, 81MM, SMK RP IUK XM819	66	12.4			66	12.4	-66	-12.4	0	0.0			66	12.4
49	CTG, 81MM, IMP 1/10 RANGE TNG XM880	36	2.4			36	2.4	-36	-2.4	0	0.0			36	2.4
51	CTG, SUB CAL .22, PRACT CHG=2 M745	157	1.1			157	1.1			157	1.1			157	1.1
55	CTG, 4.2-INCH, ILLUM, W/FUZE	143	27.3			143	27.3			143	27.3			143	27.3
56	CTG, 4.2-INCH, SMOKE, WP	51	6.7			51	6.7			51	6.7			51	6.7
57	CTG, 120MM, HE W/MULTI-OPTION FUZE	83	30.3			83	30.3	-83	-30.3	0	0.0	-83	-30.3	0	0.0
58	CTG, 120MM, ILLUM	8	4.0			8	4.0	-8	-4.0	0	0.0	-8	-4.0	0	0.0
59	CTG, 120MM, SMOKE	41	11.2			41	11.2	-41	-11.2	0	0.0	-41	-11.2	0	0.0
61	CTG, 105MM, HEAT MP T M456A2	130	47.2			130	47.2		-5.6	130	41.6		-5.6	130	41.6
62	CTG, 105MM, TP-T, M490	347	51.2			347	51.2	125	19.8	472	71.0		8.8		60.0
63	CTG, 105MM, TRACE-P FOR M833		2.3				2.3				2.3				2.3
64	CTG, 105MM, DS-TP M724	433	89.4			433	89.4	84	16.8	517	106.2		5.6		95.0
65	CTG, 105MM, APFSDS-T M833	76	46.8			76	46.8			76	46.8			76	46.8
67	CTG, 120MM, APFSDS-T XM829	45	59.7			45	59.7	25	43.9	70	103.6		15.3		75.0
68	CTG, 120MM, HEAT-MP-T,M830(MYP)	13	27.3			13	27.3	3	7.8	16	35.1		3.7		31.0
69	CTG, 120MM, TP-T XM831(MYP)	31	29.6			31	29.6			31	29.6			31	29.6
70	CTG, 120MM, TPCSDS-T, M865(MYP)	49	29.7			49	29.7	28	17.0	77	46.7		5.3		35.0
71	PROJ, 155MM, HE, ICM M483 (MYP)	689	299.8			689	299.8	121	51.7	810	351.5	121	51.7	810	351.5
	PROJ, 8", HE, ICM (DP), M509		0.0				0.0	117	100.0	117	100.0		50.0		50.0
73	PROJ, 155MM, SMK, WP, M825	38	16.3			38	16.3			38	16.3			38	16.3
76	PROJ, 155MM, HE, ADAM M731 (MYP)	6	26.5			6	26.5	4	17.6	10	44.1		8.5		35.0
78	PROJ, 155MM, HE, RAAMS M741 (MYP)	41	71.6			41	71.6	29	50.0	70	121.6		28.4		100.0
80	PROJ, 155MM, HE, COPPERHEAD (EA)	6900	235.0			6900	235.0			6900	235.0			6900	235.0
81	PROJ, 155MM, CHEM GB-2		[ ]				[ ]				[ ]				[ ]
82	CHARGE, PROPELLING, 155MM, GR BAG M3	466	27.7			466	27.7	111	6.2	577	33.9	111	6.2	577	33.9
83	CHARGE, PROPELLING, 155MM, WH BAG M4	378	30.4			378	30.4	115	8.9	493	39.3	115	8.9	493	39.3
	PROJ, 8" RAP		0.0				0.0	14	17.9	14	17.9		10.0		10.0

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
84	CHARGE, PROPELLING, 155MM, R BAG M203	60	20.4			60	20.4			60	20.4			60	20.4
85	CHARGE, PROPELLING, 155MM, WH BAG M11	140	17.8			140	17.8			140	17.8			140	17.8
89	CHARGE, PROPELLING, 8-INCH WB, M188	129	29.2			129	29.2	129	28.2	258	57.4		14.0		43.2
92	FUZE, MTSG M577/M577A1	758	49.3			758	49.3	517	35.6	1275	84.9		20.7		70.0
93	FUZE, MTSQ M582/M582A1	154	10.5			154	10.5			154	10.5			154	10.5
94	PRIMER, PERC, M82	1491	2.9			1491	2.9			1491	2.9			1491	2.9
95	GROUND IMP MINE SCAT SYS AP M74 (MYP)	36	14.5			36	14.5			36	14.5			36	14.5
96	GROUND IMP MINE SCAT SYS AT M75 (MYP)	134	26.5			134	26.5	84	16.8	218	43.3		8.5		35.0
97	CANISTER MINE PRACTICE XM88 (VOLCANO)	5	1.5			5	1.5			5	1.5			5	1.5
98	CANISTER MINE (VOLCANO) XM87	10	2.6			10	2.6			10	2.6			10	2.6
99	MINE, AT,BLU-91/B (VOLCANO) (MYP)	60	12.6			60	12.6			60	12.6			60	12.6
100	MINE, AP,BLU-92/B (VOLCANO) (MYP)	12	5.0			12	5.0			12	5.0			12	5.0
101	MTR RKT 5 IN MK22 MOD 4 (EA)	1412	5.4			1412	5.4			1412	5.4			1412	5.4
102	LINE CHARGE M58A3 (MICLIC) (EA)	1018	12.3			1018	12.3			1018	12.3			1018	12.3
103	LINE CHARGE INERT M68A2 (MICLIC) (EA)	103	1.2			103	1.2			103	1.2			103	1.2
104	MODULAR PACK MINE SYSTEM	3358	36.0			3358	36.0			3358	36.0			3358	36.0
106	DEMOLITION MUNITIONS & OTHER		16.5				16.5				16.5				16.5
107	DEMO KIT BANGALORE TORPEDO	6	3.0			6	3.0			6	3.0			6	3.0
108	LIGHTWEIGHT MULTI-PURPOSE SYSTEM	156	107.6			156	107.6	-156	-107.6	0	0.0		-66.0		41.6
109	LIGHTWEIGHT MULTI PURPOSE SYSTEM TRNR	1645	3.1			1645	3.1			1645	3.1			1645	3.1
110	HYDRA 70 RKT, MPSM HE M261 WHD(MYP)	36	28.9			36	28.9			36	28.9			36	28.9
111	HYDRA 70 RKT, MPSM PRAC M267 WHD	8	5.4			8	5.4			8	5.4			8	5.4
112	GRENADE, HAND, ALL TYPES		33.0				33.0				33.0				33.0
113	SIGNALS, ALL TYPES		33.5				33.5				33.5				33.5
114	SIMULATORS, ALL TYPES		28.7				28.7				28.7				28.7
	MISCELLANEOUS														
115	AMMO COMPONENTS/SUPPORT, ALL TYPES		21.3				21.3				21.3				21.3
116	ITEMS LESS THAN $900,000 (MISC-AMMO)		3.7				3.7				3.7				3.7
117	SPARES AND REPAIR PARTS		1.0				1.0				1.0				1.0
118	AMMUNITION PECULIAR EQUIPMENT		5.2				5.2				5.2				5.2
119	NITROGUANIDINE (LB)		25.0				25.0				25.0				25.0
120	COMP A-5		9.1				9.1				9.1				9.1
121	COMP C-4		9.0				9.0				9.0				9.0
122	COMP B		4.4				4.4				4.4				4.4
123	PBX 0280		1.6				1.6				1.6				1.6

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
124	CYCLOTOL 70/30		2.8				2.8				2.8				2.8
126	COMP LX-14		5.8				5.8				5.8				5.8
130	AMMO 9MM/ELT		1.7				1.7				1.7				1.7
	PIVAD 20MM		0.0				0.0		2.0		2.0				0.0
	SUBTOTAL, AMMUNITION		2266.6		-43.7		2222.9		166.0		2432.6		72.9		2339.5
	AMMUNITION PRODUCTION BASE SUPPORT														
131	PROVISION OF INDUSTRIAL FACILITIES		280.6		-40.0		240.6		-55.9		224.7		-15.9		264.7
132	COMPONENTS FOR PROVE-OUT		14.0				14.0				14.0				14.0
133	LAYAWAY OF INDUSTRIAL FACILITIES		22.5				22.5				22.5				22.5
134	JEFFERSON PROVING GROUND MODERNIZATION		2.0				2.0				2.0				2.0
135	CHEMICAL DEMILITARIZATION PROGRAM		49.3				49.3				49.3				49.3
	SUBTOTAL, AMMUNITION PROD BASE SUPPORT		368.4		-40.0		328.4		-55.9		312.5		-15.9		352.5
	PRIOR YEAR AUTHORIZATION TRANSFER (120 MORTAR AMMUNITION)		---				---		-28.1		-28.1		-28.1		-28.1
	PRIOR YEAR INFLATION SAVINGS		---		-78.0		-78.0		-78.0		-78.0		-78.0		-78.0
	INFLATION REESTIMATE FOR FY 86		---		-3.0		-3.0		-3.0		-3.0		-3.0		-3.0
	PRIOR YEAR PROGRAM SAVINGS		---		-62.0		-62.0		-33.9		-33.9		-33.9		-33.9
	FY 87 AND SUBSEQUENT YEARS INFLATION		---				---		-102.7		-102.7				---
	TOTAL, ARMY AMMUNITION		2635.0		-226.7		2408.3		-135.6		2499.4		-86.0		2549.0

Army ammunition

The budget request contained $2,635.0 million for Army ammunition procurement in fiscal year 1986. The House amendment would authorize $2,499.4 million for procurement of Army ammunition. The Senate bill would authorize $2,408.3 million for the same purpose.

The conferees recommend authorization of $2,549.0 million for procurement of Army ammunition in fiscal year 1986. The amounts requested for specific items that were in dispute, the amounts allowed by the House amendment and the Senate bill, and the amounts allowed by the conferees are listed in the foregoing table.

OTHER PROCUREMENT, ARMY

(DOLLARS IN MILLIONS)

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	TACTICAL VEHICLES														
1	CHASSIS TRAILER GEN 2 1/2 TON 2W M200A	1676	7.6			1676	7.6			1676	7.6			1676	7.6
2	DOLLY SET, TRANS SHELTER, 7 1/2T, M102	141	5.5			141	5.5			141	5.5			141	5.5
3	MOTORCYCLE, GED, 2W, ROUGH TERRAIN	1413	5.6			1413	5.6	-1413	-5.6	0	0.0		-3.6		2.0
5	SEMITRAILER, BB/CONT 34T M872 C/S	100	3.4			100	3.4			100	3.4			100	3.4
6	SEMITRAILER, LB, 12T M270A1-M269A1	238	9.3			238	9.3			238	9.3			238	9.3
7	SEMITRAILER, LOW BED, 40T M870 (C/S)	311	12.2			311	12.2			311	12.2			311	12.2
8	SEMITRAILER, LOW BED HET, XM1000	144	11.2			144	11.2	-144	-11.2	0	0.0			144	11.2
9	SEMITRAILER, TANK, 5000G	484	19.8			484	19.8			484	19.8			484	19.8
11	TRAILER, CARGO, 3/4T, 2W, M101A2 W/E	1241	5.3			1241	5.3			1241	5.3			1241	5.3
12	TRAILER, CARGO, 1 1/2T, 2W, M105A2	3099	11.1			3099	11.1			3099	11.1			3099	11.1
14	TRAILER, TANK WATER 400G 1 1/2T 2W M14	650	4.0			650	4.0			650	4.0			650	4.0
15	HI MOB MULTI-PURP WHL VEH (HMMWV)(MYP)	13363	326.0			13363	326.0			13363	326.0			13363	326.0
16	FAST ATTACK VEHICLE	88	3.1	-88	-3.1	0	0.0	-88	-3.1	0	0.0	-88	-3.1	0	0.0
	GENERAL REDUCTION FROM FY 85 PROGRAM		---				---		-7.4		-7.4		-7.4		-7.4
18	SMALL UNIT SUPPORT VEHICLE (SUSV)	135	14.8			135	14.8			135	14.8			135	14.8
19	TRUCK, 5T, 6X6, ABT (MYP)	2179	225.3			2179	225.3			2179	225.3			2179	225.3
20	TRUCK, 10T, 8X8, ABT (MYP)	770	128.7			770	128.7			770	128.7			770	128.7
21	TRUCK, TRACTOR, YARD TYPE, M878 (C/S)	42	3.1			42	3.1			42	3.1			42	3.1
22	MODIFICATION OF IN-SERVICE EQUIPMENT		.1				.1				.1				.1
23	SHOP EQUIPMENT, AUTO MAINT & REP	104	.9			104	.9			104	.9			104	.9
24	ITEMS LESS THAN $900,000 (TAC VEH)		1.7				1.7				1.7				1.7
	NON-TACTICAL VEHICLES														
25	PASSENGER CARRYING VEHICLES	2464	30.0			2464	30.0			2464	30.0			2464	30.0
26	GENERAL PURPOSE VEHICLES		39.9				39.9				39.9				39.9
27	SPECIAL PURPOSE VEHICLES		13.0				13.0				13.0				13.0

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	SUPPORT EQUIPMENT AND FACILITIES														
28	SPARES AND REPAIR PARTS		135.2				135.2				135.2				135.2
	SUBTOTAL, TACTICAL AND SUPPORT VEHICLES		1016.8		-3.1		1013.7		-27.3		989.5		-14.1		1002.7
	COMMUNICATIONS AND ELECTRONICS EQUIPMENT														
	TELECOMM EQUIP - READ CMD COMM														
31	JCSE EQUIPMENT (USREDCOM)		.3				.3				.3				.3
32	CLASSIFIED PROJECT 9WW		14.2				14.2				14.2				14.2
	TELECOMM EQUIP - JOINT TACTICAL COMM PROG														
34	MOD RCRD TFC TERM (MRTT)		39.9				39.9				39.9				39.9
35	DIG GROUP MULTIIPLEXER (DGM)		20.4				20.4				20.4				20.4
36	RPTR/TERM ASSMBLGS		15.7				15.7				15.7				15.7
37	RADIO TERMINALS AN/TRC-170		29.2				29.2				29.2				29.2
39	UNIT LEVEL SWITCHES		31.4				31.4				31.4				31.4
40	COM SYS CON EL AN/TYQ-16		15.9				15.9				15.9				15.9
41	DIG NSEC VTER TA-954	4500	4.0			4500	4.0			4500	4.0			4500	4.0
42	ANDVT-TAC TERM, CV-3591	159	4.0			159	4.0			159	4.0			159	4.0
43	LIGHTWEIGHT DIGITAL FACSIMILE	275	7.4			275	7.4			275	7.4			275	7.4
44	MOB SUBSCRIBER EQP		335.3				335.3				335.3				335.3
45	MOD OF IN-SVC EQ (TRI-TAC)		22.5				22.5				22.5				22.5
	TELECOMM EQUIP - COMBAT SUPPORT COMM														
46	COMM SYS (HTLD)		8.5				8.5				8.5				8.5
47	SINCGARS (ROLL)	16400	231.3			16400	231.3			16400	231.3			16400	231.3
48	COMMUNICATIONS CENTRAL, AN/TSC-99	3	11.7			3	11.7			3	11.7			3	11.7
51	IMP HF RADIO FAMILY		26.6				26.6				26.6				26.6
53	PWR SUPPLY PP-6148/U	110	.9			110	.9			110	.9			110	.9
55	RADIO SET AN/PRC-70	305	11.6			305	11.6			305	11.6			305	11.6
56	ANTENNA GROUP OE-254	4000	2.5			4000	2.5			4000	2.5			4000	2.5
57	SMALL UNIT TRANS AN/PRC - 68	510	1.0			510	1.0			510	1.0			510	1.0

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
61	TELETYPEWRITER TERMINAL AN/UGC-74	310	4.2			310	4.2			310	4.2			310	4.2
62	MOD OF IN-SVC EQUIP (CSC)		26.0				26.0				26.0				26.0
63	RDF COMM (S.W. ASIA)		19.5				19.5				19.5				19.5
64	ITEMS LESS THAN $900,000 (CSC-C-E)		10.1				10.1				10.1				10.1
66	SPEC OPS COMM SUF ELMT		7.3				7.3				7.3				7.3
	TELECOMM EQUIP - STARCOM NON-DCS														
69	AR TELECOM AUTO PR (ATCAP)		9.2				9.2				9.2				9.2
70	C-E FACILITIES/PROJECTS		20.5				20.5				20.5				20.5
71	SOUTHCOM C3 UPGRADE		26.9				26.9				26.9				26.9
72	ELECTROMAG COMP PROG(EMCP)		.6				.6				.6				.6
	LONG-HAUL COMMUNICATIONS (DCS)														
73	AUTODIN (DCS)		4.8				4.8				4.8				4.8
75	DEFENSE DATA NETWORK (DDN)		6.5				6.5				6.5				6.5
77	TRANSMISSION MEDIA (EUCOM)		16.2				16.2				16.2				16.2
78	TRANSMISSION MEDIA (PACOM)		30.9				30.9				30.9				30.9
79	WW TECH CON IMP PR (WWTCIP)		5.3				5.3				5.3				5.3
	TELECOMM EQUIP - SATCOM-GRD ENVIRONMENT														
80	DIGITAL EQUIPMENT (DSCS)		40.0				40.0				40.0				40.0
81	INTERCONNECT FACILITY (DSCS)		7.9				7.9				7.9				7.9
82	JAM RESISTANT SECURE COM (JRSC)		22.9				22.9				22.9				22.9
83	MED SAT TERM AN/GSC		62.1				62.1				62.1				62.1
84	SPRD SPEC MUL ACC (DSCS)		23.0				23.0				23.0				23.0
85	DSCS OPERATIONS CONTROL SYS (DOCS)		40.4				40.4				40.4				40.4
86	MOD IN-SVC EQUIP (DSCS)		8.5				8.5				8.5				8.5
87	MPK SAT UHF TERM, AN/PSC-3	114	3.9			114	3.9			114	3.9			114	3.9
88	VEH SAT UHF TERM, AN/VSC-7	22	1.4			22	1.4			22	1.4			22	1.4
89	SINGLE CHANNEL OBJECT TACT TERM (SCOTT)		83.4		-83.4		0.0		-83.4		0.0		-83.4		0.0
90	MOD IN-SVC EQUIP (TAC SAT)		53.4				53.4				53.4				53.4

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	TELECOMM EQUIP - EUCOM C3 SYSTEM														
91	EUCOM C3 (NWS)		98.6				98.6				98.6				98.6
93	EUCOM ALTERNATE SPT HQ (ASH)		11.5				11.5				11.5				11.5
	TELECOMM EQUIP - COMSEC EQUIPMENT														
96	AUTO KEY DC KGX-93/TSEC	147	4.3			147	4.3			147	4.3			147	4.3
97	SEC VO IMPRV PRG (COMSEC)		8.4				8.4	286	10.0	286	18.4		3.6		12.0
98	LOOP KEY GEN TSEC/KG-82	1520	2.1			1520	2.1			1520	2.1			1520	2.1
99	KEY VAR GEN TSEC/KG-83	59	.4			59	.4			59	.4			59	.4
100	DED LOOP ENCRYP DEV KG-84	5525	21.8			5525	21.8			5525	21.8			5525	21.8
101	TNK ENCRP DEV TSEC/KG-93	212	2.2			212	2.2			212	2.2			212	2.2
102	TSEC/KG-94	828	7.8			828	7.8			828	7.8			828	7.8
104	INT LEV T SET TSEC/ST-34	14	.8			14	.8			14	.8			14	.8
105	DIG SUB VOICE TSEC/KY-68	525	2.0			525	2.0			525	2.0			525	2.0
106	TSEC/KY-90	141	5.4			141	5.4			141	5.4			141	5.4
108	KEY GENERATOR, TSEC/KG-87	7	2.0			7	2.0			7	2.0			7	2.0
110	COMSEC MODULE, TSEC/KGV-13	320	5.1			320	5.1			320	5.1			320	5.1
111	FREQ MODULE, KGV-10/TSEC	17120	18.2			17120	18.2			17120	18.2			17120	18.2
113	ELEC TRAN DEV KYK-13/TSEC	7272	1.5			7272	1.5			7272	1.5			7272	1.5
114	NET CON DEV KYX-15/TSEC	2236	1.8			2236	1.8			2236	1.8			2236	1.8
115	SPEECH SECUR EQ TSEC/KY-57	7442	31.5			7442	31.5	6558	27.8	14000	59.3		3.5		35.0
118	TSEC/KYV-5 (VACTOR) SECURE EQUIP	205	.9			205	.9			205	.9			205	.9
119	TEMPEST (COMSEC)		1.1				1.1				1.1				1.1
122	TSEC/KGV-11/SECURE MODULE		1.3				1.3				1.3				1.3
124	UMSTEAD CC (CI-11-1)		3.0				3.0				3.0				3.0
125	UMSTEAD RT (CI-11-2)		6.8				6.8				6.8				6.8
126	BATSON II, TSEC/CI-14		8.4				8.4				8.4				8.4
127	ITEMS LESS THAN $900,000 (COMSEC)		4.5				4.5				4.5				4.5
	TELECOMM EQUIP - BASE COMM														
128	BASE COMM (CONUS)		34.6				34.6				34.6				34.6
129	BASE COMM (EUCOM)		6.8				6.8				6.8				6.8
130	BASE COMM (PACOM)		4.0				4.0				4.0				4.0
131	DA COMD & CON SYS (DACCS)		10.3				10.3				10.3				10.3

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
132	ARMY OPNS CTR		5.0				5.0				5.0				5.0
133	PENTAGON TELECOM CTR (PTC)		9.8				9.8				9.8				9.8
	TMDE FOR TELECOMM														
134	TMDE MODERNIZATION		27.0				27.0				27.0				27.0
	OTHER ELECT SYS/EQUIP - INTELLIGENCE SUPPORT														
138	TRAILBLAZER	2	38.4			2	38.4	-1	-19.2	1	19.2	-1	-19.2	1	19.2
139	TAC ELEC SURV SYS		15.6				15.8				15.8				15.3
141	MANPACK RADIO DF SYSTEM (MRDFS)	19	7.0			19	7.0			19	7.0			19	7.0
142	TEAM PACK	4	6.0			4	6.0			4	6.0			4	6.0
143	MOD IN SER EQ (INT SPT)		20.2				20.2				20.2				20.2
144	RESERVE TACTICAL INTEL ENHANCEMENT		.9				.9				.9				.9
145	ITEMS LESS THAN $900,000 (INT SPT-C-E)		4.7				4.7				4.7				4.7
146	FT DEVENS TRAINING SUPPORT		.4				.4				.4				.4
147	TROJAN		5.3				5.3				5.3				5.3
	OTHER ELECT SYS/EQUIP - GEN DEF INTEL PROG														
148	INTELLIGENCE DATA HANDLING SYS (IDHS)		[ ]				[ ]		-3.4		-3.4				[ ]
149	TECH RECON AND SURV SYS (TECRAS)		[ ]				[ ]				[ ]				[ ]
150	ITEMS LESS THAN $900,000 (GDIP-C-E)		[ ]				[ ]				[ ]				[ ]
	OTHER ELECT SYS/EQUIP - AUTO DATA PROCESS SYS														
151	VERT INSTL AUTO BASELINE (VIABLE-BASOPS)		16.7				18.7				18.7				18.7
152	VERTICAL FORCE DEVELOP MIS		6.3				6.3				6.3				6.3
154	BATTERY COMPUTER SYSTEM	89	17.7			89	17.7			89	17.7			89	17.7
156	ARMY DATA DISTRIBUTION SYSTEM-ADDS		21.6				21.6				21.6				21.6
158	USAREUR TACTICAL AUTOMATION		2.2				2.2				2.2				2.2
159	LIFE CYCLE SOFTWARE SUP (LCSS)		3.5				3.5				3.5				3.5
160	ADPE FOR NON TAC MGT INFO SYS		9.4		23.6		33.0				9.4		23.6		33.0
162	DIGITAL MESSAGE DEVICE	701	13.2			701	13.2		-10.0	701	3.2		-10.0	701	3.2
163	FIRE SUPPORT TEAM DIGITAL MESSAGE	427	17.2			427	17.2			427	17.2			427	17.2
164	MANEUVER CONTROL SYS		72.3				72.3				72.3				72.3

		FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
LINE NO.	TITLE	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
165	MOD IN-SVC CMD/CONTROL (C2)		2.9				2.9				2.9				2.9
166	CORPS/THEATER ADP SVC CTR (CTASC)		8.9				8.9				8.9				8.9
167	TACT ARMY CMBT COMPT SY(TACCS)	2522	44.7			2522	44.7			2522	44.7			2522	44.7
169	COMPUTER BALLISTICS: MORTAR XM-23	882	6.0			882	6.0			882	6.0			882	6.0
170	CSS LOG APPLC AUTO MARK/READ SYMBS		10.6				10.6				10.6				10.6
171	WW MIL COM & CONT SYS ADPE		7.1				7.1				7.1				7.1
172	UNIT LEVEL COMPUTER (ULC)		5.5				5.5				5.5				5.5
	AUDIO VISUAL														
173	[illegible] (AUDIO VISUAL)		4.3				4.3				4.3				4.3
174	DIG STRG & RTRVL ENGRG DATA SYS (DSREDS)		25.3				25.3				25.3				25.3
175	ITEMS LESS THAN $900,000 (A/V-C-E)		14.3				14.3				14.3				14.3
	OTHER ELECT SYS/EQUIP - ELECTRONIC WARFARE														
177	COUNTERMEASURES SET AN/TLQ-17A	12	5.7			12	5.7			12	5.7			12	5.7
179	TACJAM, AN/MLQ-34	6	19.0			6	19.0			6	19.0			6	19.0
180	EW (HTLD)		5.2				5.2				5.2				5.2
182	MOD IN-SVC EQUIP (EW)		2.1				2.1				2.1				2.1
183	ITEMS LESS THAN $900,000 (EW-C-E)		2.9				2.9				2.9				2.9
	OTHER ELECT SYS/EQUIP - TACTICAL ELECTRONICS														
184	CHARGER, RADIAC DETECTOR PP-4370/PD	2840	3.8			2840	3.8	-2840	-3.8	0	0.0	-2840	-3.8	0	0.0
185	BATTERY CHARGER PP-7286/U	450	3.5			450	3.5			450	3.5			450	3.5
186	POWER SUPPLY, PP-6224	631	1.9			631	1.9			631	1.9			631	1.9
187	COMPUTER/INDICATOR, CP-696/PD	1160	4.0			1160	4.0			1160	4.0			1160	4.0
188	METEROLOGICAL DATA SYS (FAMAS)	21	33.1			21	33.1			21	33.1			21	33.1
189	GROUND LASER LOCATOR DESIGNATOR (GLLD)	180	45.1			180	45.1			180	45.1			180	45.1
191	INTRUSION DETECTION DEVICES		16.6				16.6				16.6				16.6
192	NAVSTAR GLOBAL POSITIONING SYSTEM	264	9.7	-50	-2.0	214	7.7			264	9.7			264	9.7
193	POSITION/AZIMUTH DETERMINING SYSTEM	97	36.4			97	36.4			97	36.4			97	36.4
195	TAM-6 NIGHT SIGHT MAINTENANCE FACILITY	17	4.2			17	4.2			17	4.2			17	4.2
196	AN/TAM-3 TEST SET, NIGHT VISION SIGHT	83	2.3			83	2.3			83	2.3			83	2.3
199	NIGHT VISION GOGGLES		65.0				65.0				65.0				65.0
200	NIGHT VISION SIGHT INDIV WPN AN/PVS-4	3661	9.9			3661	9.9			3661	9.9			3661	9.9

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
201	POSITION LOCATION REPORTING SYS (PLRS)		45.1				45.1				45.1				45.1
204	RADIAC SET AN/VDR-2	827	2.0			827	2.0			827	2.0			827	2.0
205	REMBASS		22.0				22.0		-5.0		17.0				22.0
206	RPV TA/DESIGN AERIAL RECON SYS (TADARS)		134.6		-66.6		68.0		-68.9		65.7		-68.6		66.0
207	TACTICAL DOSIMETER, IM-185	5543	2.4			5543	2.4	-5543	-2.4	0	0.0	-5543	-2.4	0	0.0
209	MODIFICATION OF IN-SERVICE EQ (TAC EL)		3.5				3.5				3.5				3.5
210	ITEMS LESS THAN $900,000 (TACT ELEC-C-E)		14.5				14.5				14.5				14.5
	TMDE FOR TACTICAL ELECTRONICS														
211	TEST STA, ELECTRONIC EQUIP,AN/USM-410	6	8.9			6	8.9			6	8.9			6	8.9
213	TMDE FOR STE/ICE	981	5.6			981	5.6			981	5.6			981	5.6
214	CORE ELECTRONIC AUTO TEST (STE-X)	103	8.5			103	8.5			103	8.5			103	8.5
	OTHER ELECT SYS/EQUIP - SUP EQUIP AND FACILITIES														
215	SPARES AND REPAIR PARTS (TELECOM)		215.4		-15.1		200.3		-15.1		200.3		-15.1		200.3
216	SPARES AND REPAIR PARTS (COMSEC)		14.6				14.6				14.6				14.6
217	SPARES AND REPAIR PARTS (OTHER)		218.0				218.0		-4.3		213.7		-3.2		214.8
	TRAILBLAZER								(-3.3)				(-1.3)		
	DIGITAL MESSAGE DEVICE								(-1.1)				(-1.1)		
	CHARGER								(-.3)				(-.3)		
	RPV (AQUILA)								(-2.9)				(-2.9)		
	SECURE VOICE								(0.8)				(0.5)		
	SPEECH SECURE EQUIPMENT (VINSON)								(2.5)				(1.9)		
218	WAR RESERVE SPARES		32.8				32.8				32.8				32.8
219	SPECIAL PROGRAMS		95.0				95.0				95.0				95.0
220	QUICK RETURN ON INVESTMENT (QRIP) PGM		.5				.5				.5				.5
221	PRODUCTIVITY INVESTMENT FUNDING		40.7				40.7				40.7				40.7
222	PROD ENHANCING CAP INVESTMENT PROG (PECIP)		1.0				1.0				1.0				1.0
223	PRODUCTION BASE SUPPORT (C-E)		5.5				5.5				5.5				5.5
	SUBTOTAL, COMM AND ELEC EQUIPMENT		3306.3		-145.5		3160.8		-177.7		3128.6		-175.0		3131.3

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	OTHER SUPPORT EQUIPMENT														
	CHEMICAL DEFENSIVE EQUIPMENT														
226	SIM DET CHEM AGENT AUTO ALARM XM81	692	4.7			692	4.7			692	4.7			692	4.7
227	DECONTAMINATE APP PWR DR LT WT XM17	379	6.4			379	6.4			379	6.4			379	6.4
230	MASK, PROTECTIVE, NBC	111490	30.3			111490	30.3			111490	30.3			111490	30.3
231	CHEMICAL AGENT MONITOR	3260	19.4			3260	19.4			3260	19.4			3260	19.4
232	SIMP COLL PROT EQUIP XM20	310	3.9			310	3.9			310	3.9			310	3.9
233	MODULAR/COLL PROT EQUIP FOR VV AND S	100	3.1			100	3.1			100	3.1			100	3.1
236	GEN SET, SMOKE, MECH: PUL JET,XM157	145	4.2			145	4.2			145	4.2			145	4.2
	BRIDGING EQUIPMENT														
239	BOAT, BRIDGE ERECTION, DE, 27 FT	185	25.4	-185	-25.4	0	0.0			185	25.4	-185	-25.4	0	0.0
240	BRIDGE, FLOAT-RIBBON, INTERIOR BAY	180	7.1			180	7.1			180	7.1			180	7.1
241	BRIDGE, FLOAT-RIBBON, RAMP	87	3.8			87	3.8			87	3.8			87	3.8
242	BRIDGE, FLOAT-RIBBON, TRANSPORTER	156	18.0			156	18.0			156	18.0			156	18.0
243	ITEMS LESS THAN $900,000 (BRIDGING)		.9				.9				.9				.9
	ENGINEER (NON-CONSTRUCTION) EQUIPMENT														
245	GEMSS AUX MINE DISPNSR XM138 (FLIPPER)	237	2.0			237	2.0			237	2.0			237	2.0
246	DISPENSER MINE XM139	18	2.5			18.	2.5			18	2.5			16	2.5
247	LAUNCHER, MINE CLEARING LINE CHARGE	115	1.4			115	1.4			115	1.4			115	1.4
248	MARKING SYS, CLEAR LANE	65	3.0			65	3.0			65	3.0			65	3.0
249	E DET SET, MINE, MET/NON-MET, AN/PRS-8	5927	8.1			5927	8.1			5927	8.1			5927	8.1
252	MINE CLEARING ROLLER	50	3.5			50	3.5			50	3.5			50	3.5
253	REMOTE CONTROL UNIT (MOPMS)	581	4.6			581	4.6			581	4.6			581	4.6
254	M-9 ARMORED COMBAT EARTHMOVER (ACE)	70	65.0	-70	-65.0	0	0.0	-36	-22.6	34	42.4	-36	-22.6	34	42.4
	LESS: PRIOR YEAR AUTHORIZATION TRANSFER		---				---		-12.4		-12.4		-12.4		-12.4
	NET		65.0		-65.0		0.0		-35.0		30.0				30.0
255	ITEMS LESS THAN $900,000 (ENG NON COSTR)		1.9				1.9				1.9				1.9
256	AIR CONDITIONERS VARIOUS SIZE/CAPACITIES		19.1				19.1				19.1				19.1

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
257	FIELD KITCHEN, MOBILE, TRL MTD.	327	5.3			327	5.3			327	5.3			327	5.3
259	DIVING EQUIPMENT		.4				.4				.4				.4
260	FIRETRUCKS		8.6				8.6				8.6				8.6
264	TAG PRINTING AND BINDING EQUIPMENT		5.4				5.4				5.4				5.4
265	HALON RECHARGE SERVICE KIT	132	2.1			132	2.1			132	2.1			132	2.1
266	ITEMS LESS THAN $900,000 (CSS-EQ)		10.0				10.0				10.0				10.0
267	MODIFICATIONS OF IN SERVICE EQUIP (CSE)		3.8				3.8				3.8				3.8
	PETROLEUM EQUIPMENT														
268	TANK ASSEMBLY FAB COLL FOL 50000 G	335	5.1			335	5.1			335	5.1			335	5.1
270	TANK ASSEMBLY FAB COLLAPS FOL 100000	492	5.8			492	5.8			492	5.8			492	5.8
273	TANK UNIT TRLR MTD 600 GAL	826	1.9			826	1.9			826	1.9			826	1.9
274	PUMP ASSY LIQ GAS WHL 4 IN OUT 350 GPM	361	5.8			361	5.8			361	5.8			361	5.8
277	SWA PETROLEUM DISTRIBUTION SYSTEM		38.9				38.9				38.9				38.9
278	ITEMS LESS THAN $900,000 (POL)		1.6				1.6				1.6				1.6
	WATER EQUIPMENT														
280	WTR PUR UNIT REV OS 2000/3000 GPM TK	16	14.0			16	14.0			16	14.0			16	14.0
281	WATER PUR UNIT, REV OSMOSIS, 600GPH	95	24.0			95	24.0			95	24.0			95	24.0
286	TACTICAL WATER DISTR SYS	2	8.3			2	8.3			2	8.3			2	8.3
289	TANK, FABRIC, COLL, WTR, SEMI-TRLR MTD	140	1.6			140	1.6			140	1.6			140	1.6
290	SMALL MOBILE WATER CHILLER (SMWC)	118	2.2			118	2.2			118	2.2			118	2.2
292	PUMP CENTRIFUGAL, 65GPM	2183	3.4			2183	3.4			2183	3.4			2183	3.4
293	ITEMS LESS THAN $900,000 (WATER EQ)		1.9				1.9				1.9				1.9
	MEDICAL EQUIPMENT														
294	DEPLOYABLE MEDICAL SYSTEM (DMS)		84.4				84.4				84.4				84.4
295	COMBAT SUPPORT EQUIPMENT MEDICAL		77.5				77.5				77.5				77.5
296	MEDICAL SUPPORT EQUIPMENT		83.9				83.9				83.9				83.9

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	MAINTENANCE EQUIPMENT														
297	SHOP EQ CONTACT MAINT TRK MTD (MYP)	740	38.0			740	38.0			740	38.0			740	38.0
	LESS: ADVANCE PROCUREMENT (PY)		-11.0				-11.0				-11.0				-11.0
	NET		27.0				27.0				27.0				27.0
301	WELDING SHOP, TRAILER MTD	232	9.8			232	9.8			232	9.8			232	9.8
302	SHOP EQ ELECTRICAL RPR SEMI-TRL MTD	82	13.5			82	13.5			82	13.5			82	13.5
307	CALIBRATION SET SUPPORT		7.7				7.7				7.7				7.7
308	ITEMS LESS THAN $900,000 (MAIN EQUIP)		9.5				9.5				9.5				9.5
	CONSTRUCTION EQUIPMENT														
313	TRACTOR FULL TRACKED LOW SPEED DD MED	129	26.4			129	26.4			129	26.4			129	26.4
314	SMALL EMPLACEMENT EXCAVATOR (SEE)	356	25.3			356	25.3			356	25.3			356	25.3
320	ITEMS LESS THAN $900,000 (CONSTRUCTION)		7.7				7.7				7.7				7.7
	RAIL FLOAT CONTAINERIZATION EQUIPMENT														
321	LANDING, CRAFT, UTILITY	5	22.9			5	22.9	7	33.0	12	55.9			5	22.9
324	RO/RO DISCHARGE PLATFORM	2	11.8			2	11.8			2	11.8			2	11.8
325	CAUSEWAY SYSTEMS		13.4				13.4				13.4				13.4
329	MODIFICATIONS OF IN-SERV EQ (FLOAT/RAIL)		1.0				1.0				1.0				1.0
330	ITEMS LESS THAN $900,000 (FLOAT/RAIL)		4.2				4.2				4.2				4.2
	GENERATORS														
331	GEN AND ASSOCIATED EQUIP	5311	99.4			5311	99.4			5311	99.4			5311	99.4
	MATERIEL HANDLING EQUIPMENT														
333	TRUCK, FORK LIFT, GE, PT, 6000 LB	354	13.5			354	13.5			354	13.5			354	13.5
334	TRUCK, FORK LIFT, GE, SRT, 2000 LB	123	2.9			123	2.9			123	2.9			123	2.9
336	TRUCK, FORK LIFT, DE, PT, RT, 6000 LB	250	26.3			250	26.3	-250	-26.3	0	0.0		-8.3		18.0
337	TRUCK, FORK LIFT, ELEC, SRT, 6000 LB	116	4.6			116	4.6			116	4.6			116	4.6
338	TRUCK, FORK LIFT, ELEC, SRT FRT/SIDE	23	2.0			23	2.0			23	2.0			23	2.0

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
339	TRUCK, FORK LIFT, ELEC, SRT, 4000 LB	424	12.9			424	12.9			424	12.9			424	12.9
340	65 TON CRANE	11	6.2			11	6.2	-11	-6.2	0	0.0			11	6.2
341	ITEMS LESS THAN $900,000 (MHE)		6.0				6.0				6.0				6.0
	OTHER SUPPORT EQUIPMENT														
342	SPARES AND REPAIR PARTS		37.7				37.7		2.5		40.2				37.7
344	AREA ORIENTED DEPOT UPGRADE		73.8		-20.0		53.8				73.8		-10.0		63.8
345	VALUE ENGINEERING (VE)		.6				.6				.6				.6
346	PROJECT RESHAPE (HQ DARCOM)		14.6		-8.6		6.0				14.6		-8.6		6.0
349	PRODUCTION BASE SUPPORT (OTH)		7.9				7.9				7.9				7.9
352	SPECIAL EQUIPMENT FOR USER TESTING		11.2				11.2				11.2				11.2
353	HOST NATION SUPPORT - EUROPE		58.2				58.2				58.2				58.2
354	NATIONAL TRAINING CTR SUP		13.3				13.3				13.3				13.3
356	SWA STAGING BASES		6.4				6.4				6.4				6.4
357	TRAINING DEVICES, NONSYSTEM		177.8		-20.0		157.8		50.0		227.8				177.8
---	ARAPAHO		0.0				0.0		5.0		5.0		5.0		5.0
	SUBTOTAL, OTHER SUPPORT EQUIPMENT		1369.7		-139.0		1250.7		23.0		1412.7		-62.3		1307.4
	NONCENTRALLY MANAGED ITEMS		0.0				0.0		137.3		137.3		105.3		105.3
	UNDISTRIBUTED REDUCTION		---		-132.7		-132.7				---				---
	PRIOR YEAR INFLATION SAVINGS		---		-174.0		-174.0		-174.0		-174.0		-174.0		-174.0
	INFLATION REESTIMATE FOR FY 86		---		-5.0		-5.0		-5.0		-5.0		-5.0		-5.0
	PRIOR YEAR PROGRAM SAVINGS		---		-64.0		-64.0		-44.2		-44.2		-44.2		-44.2
	FY 87 AND SUBSEQUENT YEARS INFLATION		---				---		-322.7		-322.7				---
	TOTAL, ARMY OTHER PROCUREMENT		5712.8		-663.3		5049.5		-590.6		5122.2		-389.3		5323.5

Other procurement, Army

The budget request contained $5,712.8 million for Army other procurement for fiscal year 1986. The House amendment would authorize $5,122.2 million for Army other procurement. The Senate bill would authorize $5,049.5 million for this purpose.

The conferees recommend authorization of $5,323.5 million for Army other procurement. The amounts requested for specific items that were in dispute, the amounts allowed by the House amendment and the Senate bill, and the amounts allowed by the conferees are listed in the foregoing table.

Tactical and support vehicles

The budget request contained $1,016.8 million for tactical and support vehicles, including $5.6 million for procurement of 1,413 motorcycles, and $11.2 million for procurement of 144 XM 1000 low bed semitrailers. The House amendment would authorize $989.5 million for tactical and support vehicles, including no authorization for motorcycles, and XM 1000 low bed semitrailers. The Senate bill would authorize $1,013.7 million for tactical and support vehicles, including $5.6 million for procurement of 1,413 motorcycles, and $11.2 million for procurement of 144 XM 1000 low bed semitrailers.

The conferees agreed to authorize $1002.7 million for tactical and support vehicles, including $2.0 million for procurement of motorcycles, and $11.2 million for procurement of 144 XM 1000 low bed semitrailers.

The conferees agreed to several actions pertaining to procurement for the 9th Infantry Division (Motorized). The conferees were not convinced that specialized items of equipment fielded in small numbers represented a cost-effective approach in view of the current budgetary limitations and the commitment to complete the necessary modernization of the Army's heavy forces. The conferees, however, support the innovative efforts at the Army Development and Employment Agency (ADEA) and encourage the Army to pursue low-cost approaches that are applicable throughout the total force in the future.

Fast attack vehicle

The budget request contained $3.1 million to procure 88 fast attack vehicles (FAV). The House amendment contained no authorization, reflecting the intent to terminate the program. The House amendment would also authorize a general reduction of $7.4 million to be made available from unobligated prior year authorizations for the FAV. The Senate bill contained no authorization for the FAV.

The conferees agreed to a general reduction of $7.4 million to be made available from unobligated prior-year authorizations for the FAV.

The Senate recedes.

Communications and electronic equipment

The budget request contained $3,306.3 million for communications and electronic equipment. The House amendment would authorize $3,128.6 million for communications and electronic equipment. The Senate bill would authorize $3,160.8 million for this purpose.

The conferees agreed to authorize $3,131.3 million for communications and electronic equipment.

Army, RPV

The report (S. Report 99–41) accompanying the Senate bill directed the Secretary of the Army to provide a report to the Committees on Armed Services no later than December 15, 1985 concerning the Army's Aquila program. This report should address specifically the restructuring of the Aquila program, and the proposed development of a family of RPVs. Consideration should also be given to procurement of off-shelf systems.

The House report (H. Report 99–81) contains no similar direction.

The House recedes.

Steerable null antenna processor (SNAP)

The budget request did not contain authorization for the procurement of Steerable Null Antenna Processor (SNAP). SNAP provides anti-jamming protection for the Army's current combat net radios, the VRC–12.

Although the conferees recognize that the Army is fielding a new combat net radio, they are concerned that the reserves will continue to retain large quantities of the VRC–12 radio.

The conferees believe that the Army should review its requirements for acquiring additional SNAP's and, should that review justify expanded procurement, initiate a reprogramming request to procure the additional anti-jam production.

Other support equipment

The budget request contained $1,389.7 million for other support equipment. The House amendment would authorize $1,412.7 million for other support equipment. The Senate bill would authorize $1,250.7 million for other support equipment. The conferees recommend authorization of $1,307.4 million for other support equipment.

M9 armored combat earthmover (ACE)

The budget request contained $65 million to procure 70 M9 Armored Combat Earthmover (ACE). The House amendment would authorize $30 million for procurement of 34 M9 ACE's. The House amendment also recommends authorizing the transfer forward of $12.4 million from prior year authorizations to support procurement in fiscal year 1986. The Senate bill contained no authorization for the M9 ACE.

The conferees recommend authorization of $30 million for procurement of 34 M9 ACEs. The conferees agreed to transfer forward $12.4 million from prior year authorizations to support procurement in fiscal year 1986.

The Senate recedes.

Training devices, non-system

The budget request contained $177.8 million for procurement of non-system training devices. The House amendment would authorize $227.8 million, including authorization of $50 million designated for the Army National Guard. The Senate bill would authorize $157.8 million for procurement of non-system training devices.

The conferees agreed to authorize $177.8 million for procurement of non-system training devices. Section 104 also provides authorization of $50 million for procurement of non-system training devices for the Army National Guard.

The report (H. Report 99-81) accompanying the House amendment directs the Secretary of Defense to submit a report to the Committee on Armed Services of the Senate and the House of Representatives concerning the total requirement and acquisition plans for non-system training devices for the National Guard.

The Senate report (S. Rept. 99-41) contained no similar language.

The Senate recedes.

Arapaho

The budget request contained no authorization for procurement of Arapaho helicopter support system in fiscal year 1986. The House amendment would authorize $5.0 million for procurement of long-lead items for Arapaho support system. The Senate bill contained no authorization for procurement of Arapaho support system in fiscal year 1986.

The conferees recommend authorization of $5.0 million for procurement of Arapaho helicopter support system.

The Senate recedes.

Non-centrally managed items

The House amendment would authorize $137.3 million in the Other Procurement, Army account for non-centrally managed items valued in excess of $3,000 for which the budget request sought funds in the Operation and Maintenance, Army account. The House report on the authorization bill notes that such items are more properly considered investment items rather than expense items.

The Senate bill contained no similar authorization.

The conferees recommend authorization of $105.3 million for non-centrally managed items valued in excess of $5,000 in the Other Procurement, Army account. As discussed in the Operation and Maintenance section, non-centrally managed items with a cost of $3,000-$5,000 are authorized in Operation and Maintenance.

The Senate recedes with an amendment.

Army other procurement transfer from prior year

The Senate bill would authorize a general transfer of prior year funds in the amount of $64.0 million. The House amendment would authorize a transfer of prior year funds in the amount of $44.2 million.

The Senate recedes.

AIRCRAFT PROCUREMENT, NAVY

(DOLLARS IN MILLIONS)

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	COMBAT AIRCRAFT														
1	A-6E (ATTACK) INTRUDER	6	213.9			6	213.9	5	90.7	11	304.6	5	90.7	11	304.6
	LESS: ADVANCE PROCUREMENT (PY)		-11.3				-11.3				-11.3				-11.3
	NET		202.6				202.6		90.7		293.3				293.3
2	ADVANCE PROCUREMENT (CY)	(6)	11.6			(6)	11.6	(5)	9.3	(11)	20.9		9.3	(6)	20.9
3	EA-6B (ELECTRONIC WARFARE) PROWLER	12	467.5			12	467.5			12	467.5			12	467.5
	LESS: ADVANCE PROCUREMENT (PY)		-21.2				-21.2				-21.2				-21.2
	NET		446.3				446.3				446.3				446.3
4	ADVANCE PROCUREMENT (CY)		33.0				33.0				33.0				33.0
5	AV-8B (V/STOL)	46	972.9	-3	-45.0	43	927.9		-45.0	46	927.9		-45.0	46	927.9
	LESS: ADVANCE PROCUREMENT (PY)		-80.4				-80.4				-80.4				-80.4
	NET		892.5		-45.0		847.5		-45.0		847.5				847.5
6	ADVANCE PROCUREMENT (CY)		86.6		-10.0		76.6				86.6				86.6
7	F-14A (FIGHTER) TOMCAT	18	838.6	-3	-100.0	15	738.6		-100.0	18	738.6		-100.0	18	738.6
	LESS: ADVANCE PROCUREMENT (PY)		-185.0				-185.0				-185.0				-185.0
	NET		653.6		-100.0		553.6		-100.0		553.6				553.6
8	ADVANCE PROCUREMENT (CY)		148.2		-48.0		100.2				148.2		-24.0		124.2
9	F/A-18 (FIGHTER) HORNET	84	2701.4			84	2701.4		-40.0	84	2661.4		-14.0	84	2687.4
	LESS: ADVANCE PROCUREMENT (PY)		-207.7				-207.7				-207.7				-207.7
	NET		2493.7				2493.7		-40.0		2453.7				2479.7
10	ADVANCE PROCUREMENT (CY)	(102)	268.1		-53.0		215.1	(-18)	-63.0	(84)	205.1	(-18)	-58.0	(84)	210.1

11	CH/MH-53E (HELO) SUPER STALLION (MYP)	14	279.1		-6.0	14	273.1		-25.0	14	254.1		-25.0	14	254.1
	LESS: ADVANCE PROCUREMENT (PY)		-19.0				-19.0				-19.0				-19.0
	NET		260.1		-6.0		254.1		-25.0		235.1				235.1
12	ADVANCE PROCUREMENT (CY)		33.3				33.3				33.3				33.3
13	AH-1T (HELICOPTER) SEA COBRA	22	217.0			22	217.0			22	217.0			22	217.0
	LESS: ADVANCE PROCUREMENT (PY)		-15.0				-15.0				-15.0				-15.0
	NET		202.0				202.0				202.0				202.0
15	SH-60B (ASW HELO) SEAHAWK	18	373.5	6	41.0	24	414.5		-34.0	18	339.5			18	373.5
	LESS: ADVANCE PROCUREMENT (PY)		-57.9				-57.9				-57.9				-57.9
	NET		315.6		41.0		356.6		-34.0		281.6				315.6
16	ADVANCE PROCUREMENT (CY)		54.9				54.9				54.9				54.9
18	CV ASW HELO ADVANCE PROCUREMENT (CY)		30.0				30.0				30.0				30.0
19	P-3C (PATROL) ORION (MYP)	9	418.9		-7.0	9	411.9	-9	-329.9	0	89.0		-7.0	9	411.9
	LESS: ADVANCE PROCUREMENT (PY)		-89.0				-89.0				-89.0				-89.0
	NET		329.9		-7.0		322.9		-329.9		0.0				322.9
20	ADVANCE PROCUREMENT (CY)	(9)	156.6		-50.0		106.6	(-4)	-75.0	(5)	81.6		-50.0		106.6
22	E-2C (EARLY WARNING) HAWKEYE	6	358.0		-5.0	6	353.0			6	358.0		-5.0	6	353.0
	LESS: ADVANCE PROCUREMENT (PY)		-29.6				-29.6				-29.6				-29.6
	NET		328.4		-5.0		323.4				328.4				323.4
23	ADVANCE PROCUREMENT (CY)		31.3				31.3				31.3				31.3
24	SH-2F (ASW HELO) SEASPRITE	6	74.4	-6	-69.9	0	4.5		-4.5	6	69.9		-4.5	6	69.9
	LESS: ADVANCE PROCUREMENT (PY)		-4.5				-4.5				-4.5				-4.5
	NET		69.9		-69.9		0.0		-4.5		65.4				65.4
	SH-2F (ASW HELO) ADVANCE PROCUREMENT (CY)		0.0				0.0	(6)	4.5	(6)	4.5				0.0

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	ROUNDING ADJUSTMENT		-.1				-.1				-.1				---
	SUBTOTAL, COMBAT AIRCRAFT		7048.0		-352.9		6695.1		-611.9		6436.1		-232.4		6815.7
	AIRLIFT AIRCRAFT														
27	UC-12B/CX	12	26.9	-12	-26.9	0	-0.0	2	17.1	14	44.0			12	26.9
	UC-12B	(12)	(26.9)	(-12)	(-26.9)	(0)	(0.0)			(12)	(26.9)				
	CX		(0.0)				(0.0)	(2)	(44.0)	(2)	(44.0)				
	PRIOR YEAR AUTHORIZATION TRANSFER		---				---		(-26.9)		(-26.9)				
	C-20A		0.0	1	22.0	1	22.0				0.0	2	44.0	2	44.0
28	C-2 (MYP)	8	177.9			8	177.9			8	177.9			8	177.9
	LESS: ADVANCE PROCUREMENT (PY)		-43.0				-43.0				-43.0				-43.0
	NET		134.9				134.9				134.9				134.9
29	ADVANCE PROCUREMENT (CY)		35.2				35.2				35.2				35.2
	SUBTOTAL, AIRLIFT AIRCRAFT		197.0		-4.9		192.1		17.1		214.1		44.0		241.0
	TRAINER AIRCRAFT														
30	T-34C	38	49.4	-38	-49.4	0	0.0	-19	-24.7	19	24.7	-19	-24.7	19	24.7
32	ADVERSARY (F-16)	12	115.7			12	115.7			12	115.7			12	115.7
	SUBTOTAL, TRAINER AIRCRAFT		165.1		-49.4		115.7		-24.7		140.4		-24.7		140.4
	OTHER AIRCRAFT														
	KC-130T (TANKER) (HERCULES)		0.0				0.0	2	40.0	2	40.0				0.0
36	E-6A	2	395.0			2	395.0	-2	-297.3	0	97.7			2	395.0
	LESS: ADVANCE PROCUREMENT (PY)		-97.7				-97.7				-97.7				-97.7
	NET		297.3				297.3		-297.3		0.0				297.3
37	ADVANCE PROCUREMENT (CY)	(4)	58.3			(4)	58.3	(-4)	-58.3	(0)	0.0			(4)	58.3

	UH-60		0.0			0.0	4	25.0	4	25.0			0.0
40	VH-60	9	129.7		9	129.7	-9	-102.8	0	26.9		9	129.7
	LESS: ADVANCE PROCUREMENT (FY)		-26.9			-26.9				-26.9			-26.9
			--------			--------		--------		--------			--------
	NET		102.8			102.8		-102.8		0.0			102.8
	VH-60 ADVANCE PROCUREMENT (CY)		0.0			0.0	(9)	26.9	(9)	26.9			0.0
	SUBTOTAL, OTHER AIRCRAFT		458.4	0.0		458.4		-366.5		91.9	0.0		458.4
	MODIFICATION OF AIRCRAFT												
42	A-3 SERIES		5.4			5.4				5.4			5.4
43	A-4 SERIES		17.0			17.0				17.0			17.0
44	A-6 SERIES		240.5			240.5				240.5			240.5
45	EA-6 SERIES		45.4			45.4				45.4			45.4
46	A-7 SERIES		30.0			30.0				30.0			30.0
47	AV-8 SERIES		8.1			8.1				8.1			8.1
48	F-4 SERIES		5.0			5.0				5.0			5.0
49	RF-4 SERIES		2.5			2.5				2.5			2.5
50	F-14 SERIES		158.8			158.8				158.8			158.8
51	F-8 SERIES		.1			.1				.1			.1
52	F-5 SERIES		1.7			1.7				1.7			1.7
53	OV-10 SERIES		51.5			51.5				51.5			51.5
54	F-18 SERIES		17.8			17.8				17.8			17.8
55	H-46 SERIES		137.0			137.0				137.0			137.0
56	H-53 SERIES		40.3			40.3				40.3			40.3
57	SH-60 SERIES		1.6			1.6				1.6			1.6
58	H-1 SERIES		75.4			75.4				75.4			75.4
59	H-2 SERIES		33.9			33.9				33.9			33.9
60	H-3 SERIES		98.0			98.0				98.0			98.0
61	EP-3 SERIES		38.5			38.5				38.5			38.5
62	P-3 SERIES		152.9			152.9				152.9			152.9
63	S-3 SERIES		284.3			284.3		9.3		293.6	9.3		293.6
65	E-2 SERIES		72.1			72.1				72.1			72.1
67	TRAINER A/C SERIES		5.3			5.3				5.3			5.3
75	EC-130 SERIES		6.5			6.5				6.5			6.5

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
76	C-130 SERIES		12.5				12.5				12.5				12.5
77	FEWSG		22.7				22.7				22.7				22.7
78	CARGO/TRANSPORT A/C SERIES		6.9				6.9				6.9				6.9
80	VARIOUS		15.6				15.6				15.6				15.6
81	POWER PLANT CHANGES		8.3				8.3				8.3				8.3
82	MISC FLT SAFETY/OPER NECESSITY CHANGE		4.3				4.3				4.3				4.3
83	COMMON ECM EQUIPMENT		242.0				242.0				242.0				242.0
84	COMMON AVIONICS CHANGES		23.9				23.9				23.9				23.9
---	GROUND PROXIMITY WARNING SYSTEM		0.0				0.0		(7.0)		(7.0)		(7.0)		(7.0)
	UNDISTRIBUTED REDUCTION		---		-30.0		-30.0		-114.5		-114.5		-30.0		-30.0
	SUBTOTAL, MODIFICATION OF AIRCRAFT		1865.7		-30.0		1835.7		-105.[illegible]		1760.5		-20.7		1845.0
	AIRCRAFT SPARES														
85	SPARES AND REPAIR PARTS		1463.7		-88.0		1375.7		-119.1		1344.6		-38.5		1425.2
	F-18R		(87.8)				(87.8)		(-3.5)		(84.3)		(-3.5)		(85.3)
	P-3C		(9.9)				(9.9)		(-9.9)		(0.0)		(-9.9)		(9.9)
	UC-12B/CX		(0.0)				(0.0)		(4.0)		(4.0)		(4.0)		(4.0)
	E-6A		(44.6)				(44.6)		(-44.6)		(0.0)		(-44.6)		(44.6)
	VH-60		(25.1)				(25.1)		(-25.1)		(0.0)		(-25.1)		(25.1)
	UNDISTRIBUTED REDUCTION		---		(-88.0)		(-88.0)		(-40.0)		(-40.0)		(48.0)		(-40.0)
	AIRCRAFT SUPPORT EQUIPMENT AND FACILITIES														
86	COMMON GROUND EQUIPMENT		684.8				684.8				684.8				684.8
87	AIRCRAFT INDUSTRIAL FACILITIES		57.1				57.1				57.1				57.1
88	WAR CONSUMABLES		65.0				65.0				65.0				65.0
89	OTHER PRODUCTION CHARGES		57.7				57.7		-3.0		54.7		-1.7		56.0
	UNDISTRIBUTED REDUCTION		---		-64.8		-64.8		-75.0		-75.0		-64.8		-64.8
	SUBTOTAL, SUPPORT EQUIP AND FACILITIES		864.7		-64.8		799.9		-78.0		786.7		-66.5		798.2

UNDISTRIBUTED REDUCTION	---	-4.0	-4.0		---		---
INFLATION REESTIMATE FOR FY 86	---	-15.0	-15.0	-15.0	-15.0	-15.0	-15.0
PRIOR YEAR PROGRAM SAVINGS	---	-109.0	-109.0	-82.1	-82.1	-109.0	-109.0
FY 87 AND SUBSEQUENT YEARS INFLATION	---		---	-539.4	-539.4		---
ROUNDING ADJUSTMENT	.1		.1		.1		---
TOTAL, NAVY AIRCRAFT	12062.6	-718.0	11344.7	-1924.8	10137.8	-462.8	11599.9

A–6E aircraft (Intruder)

The budget request contained $202.6 million for procurement of 6 A–6E aircraft in fiscal year 1986, and $11.6 million for advanced procurement of 6 aircraft in fiscal year 1987. The House amendment would authorize $293.3 million for procurement of 11 A–6E aircraft in fiscal year 1986, and $20.9 million for advance procurement of 11 aircraft in fiscal year 1987. The Senate bill would authorize the requested amounts.

The conferees recommend authorization of $293.3 million for procurement of 11 A–6E aircraft in fiscal year 1986, and $20.9 million for advance procurement of 11 aircraft in fiscal year 1987. Section 132a limits the authority to procure only A–6E aircraft with an improved wing.

The Senate recedes.

AV–8B aircraft (Harrier)

The budget request contained $892.5 million for procurement of 46 AV–8B aircraft in fiscal year 1986, and $86.6 million for advanced procurement of 47 aircraft in fiscal year 1987. The House amendment would authorize $847.5 million for procurement of 46 aircraft in fiscal year 1986, and $86.6 million for advance procurement of 47 aircraft in fiscal year 1987. The Senate bill would authorize $847.5 million for procurement of 43 aircraft in fiscal year 1986 and $76.6 million for advance procurement in fiscal year 1987.

The conferees recommend authorization of $847.5 million for procurement of 46 AV–8B aircraft in fiscal year 1986 and $86.6 million for advance procurement of 47 aircraft in fiscal year 1987.

The Senate recedes.

F–14A aircraft (Tomcat)

The budget request contained $653.6 million for procurement of 18 F–14A aircraft in fiscal year 1986, and $148.2 million for advance procurement of 18 aircraft in fiscal year 1987. The House would authorize $553.6 million for procurement of 18 F–14A aircraft configured with the F–110 engine (designated F–14A "plus") in fiscal year 1986 and $148.2 for advanced procurement of 18 aircraft in fiscal year 1987. The Senate bill would authorize $553.6 million for procurement of 15 F–14A aircraft and $100.2 million for advanced procurement in fiscal year 1987.

The conferees recommend authorization of $553.6 million for procurement of 18 F–14A "plus" aircraft and $124.2 million for advanced procurement of 18 aircraft in fiscal year 1987. Section 131(b) limits the authority to procure only F–14A plus configured aircraft.

The Senate recedes with an amendment.

F/A–18 aircraft (Hornet)

The budget request contained $2,493.7 million for procurement of 84 F/A–18 aircraft and $268.1 million for advanced procurement of 102 aircraft in fiscal year 1987. The House amendment would authorize $2,453.6 million for procurement of 84 aircraft in fiscal year 1986 and $205.1 million for advance procurement of 84 aircraft in fiscal year 1987. The Senate bill would authorize $2,493.7 million for procurement of 84 aircraft in fiscal year 1986 and $215.1 million for advance procurement for fiscal 1987.

The conferees agreed to reduce the F/A-18 effort by $14.0 million. Accordingly, the conferees recommend authorization of $2,479.7 million for procurement of 84 F/A-18 aircraft in fiscal year 1986 and $210.1 million for advance procurement in fiscal year 1987.

CH/MH-53E helicopter (Super Stallion)

The budget request contained $260.1 million for procurement of 14 CH/HM-53E helicopters, and $33.3 million for advance procurement of 14 helicopters in fiscal year 1987. The House amendment would authorize $235.1 million for 14 helicopters in fiscal year 1986 and $33.3 million for advance procurement of 14 helicopters in fiscal year 1987. The Senate bill would authorize $254.1 million for procurement of 14 helicopters in fiscal year 1986 and $33.3 million for advance procurement in fiscal year 1987.

The conferees recommend authorization of $235.1 million for procurement of 14 CH/MH-53E helicopters in fiscal year 1986 and $33.3 million for advance procurement of 14 helicopters in fiscal year 1987.

The Senate recedes.

SH/60B ASW helicopter (Seahawk)

The budget request contained $315.6 million for procurement of 18 helicopters in fiscal year 1986, and $54.9 for advance procurement of 18 helicopters in fiscal year 1987. The House amendment would authorize $281.6 million for 18 helicopters in fiscal year 1986 and $54.9 for advance procurement of 18 helicopters in fiscal year 1987. The Senate bill would authorize $356.6 million for 24 helicopters in fiscal year 1986, and $54.9 million for advance procurement in fiscal year 1987.

The conferees recommend authorization of $315.6 million for procurement of 24 SH-60B helicopters in fiscal year 1986, and $54.9 million for advance procurement of 18 helicopters in fiscal year 1987.

The House recedes with an amendment.

P-3C aircraft (Orion)

The budget request contained $329.9 million for procurement of 9 P-3C aircraft in fiscal year 1986, and $156.6 million for advance procurement of 9 P-3C aircraft in fiscal year 1987. The House amendment contained no authorization for the P-3C aircraft, but would authorize $81.6 million for advance procurement of 5 P-3C aircraft in fiscal year 1987. The Senate bill would authorize $322.9 million for 9 P-3C aircraft in fiscal year 1986, $106.6 million for advance procurement, and would deny authority to enter into multiyear procurement.

The conferees recommend authorization of $322.9 million for procurement of up to 9 P-3C aircraft in fiscal year 1986, and $106.6 million for advance procurement for fiscal year 1987. Sec. 102(f) denies multiyear procurement for the P-3C aircraft.

The House recedes.

The conferees believe the Navy must adopt new approaches to procuring resources for the long-range ASW mission. Three factors contribute to this conviction. First, the procurement program has become an annual struggle to retain funding at inefficient rates for P-3C production. That debate is not addressing the requirement to strengthen long-range ASW resources. The conferees believe a continuing investment in ASW patrol aircraft is essential in light of Soviet advances in submarine warfare. Second, insufficient competition exists in the P-3C program to contain costs. Competition should be expanded to include more of the government furnished (GFE) mission equipment and its integration or retrofit. Third, the Navy aviation accounts will likely be static in coming years at the same time that major commitments to new aircraft have been made.

These factors suggest a different direction is warranted. Therefore, the Secretary of the Navy may, at his direction, use up to $120.0 million of funds appropriated pursuant to an authorization of appropriation for procurement of new P-3C aircraft for fiscal year 1986, for modification of existing P3 aircraft with update III generation equipment.

The Navy may use the $120 million either for new production (buying up to 9 P-3s in fiscal year 1986) or for an expanded update III modification program, whichever provides the greatest benefit to the mission. However, the resulting modification program must be subject to competition.

In addition, the Navy shall submit a report with supporting analysis justifying the way in which it intends to allocate the $120.0 million cost-effectively before obligating any of the funds provided in this bill for P-3C aircraft or P3 aircraft modifications. The conferees expect the acquisition strategy to strike a balance between the continuing need to replace an aging P3 fleet and the need to increase the operational capabilities of the existing P3 inventory through modifications.

Further, the Navy shall establish a long range maritime patrol (VP) procurement plan to: (1) expand the capabilities of the current fleet through either upgrade or new acquisition, (2) introduce greater competition into the overall program, and (3) provide for greater capabilities within the general budget share reflected in the fiscal year 1986 budget request.

E-2C (Hawkeye)

The budget request contained $328.4 million for procurement of 6 E-2C aircraft in fiscal year 1986 and $31.3 million for advance procurement in fiscal year 1987. The House amendment would authorize the requested amounts. The Senate bill would authorize $323.4 million for procurement of 6 aircraft in fiscal year 1986 and $31.3 million for advance procurement in fiscal year 1987.

The conferees recommend authorization of $323.4 million for procurement of 6 E-2C aircraft in fiscal year 1986, and $31.3 million for advance procurement in fiscal year 1987.

The House recedes.

SH-2F (Seasprite)

The budget request contained $69.9 million for procurement of six SH-2F helicopters in fiscal year 1986 and no advance procurement. The House amendment would authorize $65.4 million for six helicopters and $4.5 million for advance procurement of six helicopters in fiscal year 1987. The Senate bill contained no authorization for the SH-2F helicopter.

The conferees recommend authorization of $65.4 million for procurement of six SH-2F helicopters in fiscal year 1986 and no advance procurement.

The Senate recedes with an amendment.

The conferees agreed that, faced with reduced growth in future defense budgets, together with an expanding need for modern ASW helicopters in both the active and reserve forces, lower cost alternatives to present helicopter/ship systems warrant consideration.

As an example, much of the total cost of introducing the SH-60B LAMPS MK-III helicopter is contained in the extensive ship modifications required to support this aircraft. Even without a full suite of supporting shipboard equipment, however, an autonomous SH-60B aircraft is more capable than earlier systems. This suggests that consideration should be given to a more austere ship conversion plan which might permit some ships to operate autonomous helicopter systems.

Similarly, the conferees believe that variations on the SH-60B series, or other helicopter ASW systems, might offer performance superior to the current SH-2F LAMPS MK-I aircraft, at less cost than the full SH-60B LAMPS MK-III and related shipboard conversion and modification costs. The conferees also recognize there is a continuing need to update the avionics mission equipment on older SH-2 helicopters to keep that system current with the Soviet threat.

The conferees agreed on the need to study the use of a variety of ASW helicopter/ship systems to improve the overall capabilities of those ships not scheduled for conversion to the LAMPS MK-III system. The conferees emphasize that the objective of this initiative would be to seek a lower cost ASW helicopter/ship system to complement, not replace, the ongoing conversion of ships to the full LAMPS MK-III configuration.

Accordingly, the Secretary of the Navy is directed to report to the Committee on Armed Services of the Senate and House of Representatives by January 15, 1986 as to the feasibility, operational desirability, and cost of alternative ASW helicopter/ship systems. The report should include among its alternatives a full range of helicopter/ship systems, including variations of the current SH-60 and SH-2 series helicopters. Life-cycle costs, timing, and capability against the projected threat should be among the analytical criteria. Should promising alternatives emerge, the Secretary should include funds in the fiscal year 1987 budget request to pursue such alternatives.

UC-12B/CX

The budget request contained $26.9 million for procurement of an appropriate mix of UC-12B and a complementary, longer range

CX aircraft in fiscal year 1986. The House amendment would authorize $26.9 million for procurement of 12 UC-12B aircraft and $44.0 million for procurement of two C20A aircraft to satisfy the complementary CX requirement. The House amendment also would authorize the transfer of $26.9 million of prior year funds. The Senate bill would authorize no UC-12B aircraft and $22.0 million for one C20A aircraft.

The conferees recommend authorization of $26.9 million for procurement of 12 UC-12B aircraft and $44.0 million for procurement of two C20A aircraft in fiscal year 1986. Sec. 151 of this bill requires competitive procurement of all C-12 aircraft in fiscal year 1986. This competition is restricted to turboprop aircraft.

The Senate recedes with an amendment.

T-34C aircraft (Mentor)

The budget request contained $49.4 million for procurement of 38 T-34C aircraft in fiscal year 1986. The House amendment would authorize $24.7 million for procurement of 19 aircraft in fiscal year 1986. The Senate bill provided no funds for the T-34C aircraft.

The conferees recommend authorization of $24.7 million for procurement of 19 T-34C aircraft in fiscal year 1986.

The Senate recedes.

E-6A TACAMO aircraft

The budget request contained $297.3 million for the procurement of 2 E-6A TACAMO aircraft in fiscal year 1986 and $58.3 million for advanced procurement of 4 E-6A TACAMO aircraft in fiscal year 1987. The House amendment contained no authorization for the program. The Senate bill would authorize the requested amounts.

The conferees recommend authorization of $297.3 million for procurement of 2 E-6A TACAMO aircraft in fiscal year 1986, and $58.3 million for advance procurement of 4 E-6A TACAMO aircraft in fiscal year 1987.

The conferees weighed the requirement for this aircraft and the programmatic and budgetary considerations that previously led to different findings by the two Houses. The conferees agreed that the United States' sea based deterrent can be no more effective or survivable than the communications relay capability to our SSBNs, especially to the Trident force in the Pacific.

The conferees are mindful of the considerable degree of concurrency in the program and reluctantly find this acceptable in this instance because of the critical importance of the program, and because of assurances that the technical risks in the program, which involves the integration of a proven communications suite in a proven airframe, should be minimal. The conferees direct the Navy to take all possible measures, short of slowing the program, to minimize the risks inherent in the concurrent approach to development and procurement.

Aware that an important issue regarding the E-6A has been one of affordability in the current and projected budget environment, the conferees are concerned about the continued commitment of the Department of Defense to the outyear funding requirement for this program. More specifically, the conferees find that the outyear funding requirements of the planned procurement rate will be particularly stressing on the Navy's aircraft procurement account, setting up competition between traditional naval aircraft needs and the national requirement for strategic connectivity. The Secretary of Defense is, therefore, directed to provide to the Committees on Armed Services of the Senate and House of Representatives at the time of submission of the fiscal year 1987 budget request, a plan whereby the Congress might be assured of funding continuity for this program.

VH-60 aircraft

The budget request contained $102.8 million for procurement of 9 VH-60 helicopters in fiscal year 1986. The House amendment contained no authorization for procurement of helicopters in fiscal year 1986, and advance procurement of $26.9 million for 9 helicopters in fiscal year 1987. The Senate bill would authorize the requested amounts.

The conferees recommend authorization of $102.8 million for procurement of 9 VH-60 helicopters in fiscal year 1986.

The House recedes.

Modification of aircraft

The budget request contained $1,865.7 million for modification of aircraft, including $284.3 million for S-3 series aircraft modifications. The House amendment would authorize $1,760.5 million for modification of aircraft; $293.6 million for S-3 series modifications including an increase of $9.3 million to accelerate procurement of an aerial refueling store (ARS) "buddy store" system for the S-3 and an undistributed reduction of $114.5 million. The Senate bill would authorize $1,835.7 million for modification of aircraft, including $284.3 million for S-3 series mods, and an undistributed reduction of $30.0 million. In addition, the report (H. Report 99-81) accompanying the House amendment directs that within the amounts authorized for Navy aircraft procurement in fiscal year 1986 and prior years, $7.0 million should be used for the procurement of second generation or better ground proximity warning system hardware and associated aircraft modifications. The Senate report (S. Report 99-41) contained no similar language.

The conferees recommended authorization of $1,845.0 million for modification of aircraft. Included are $293.6 million for S-3 series aircraft modification, an increase of $9.3 million to accelerate procurement of the ARS "buddy store" capability, discretionary use of $7.0 million for ground proximity warning system and an undistributed reduction of $30.0 million.

Navy aircraft spares and repair parts

The budget request contained $1,463.7 million for procurement of Navy aircraft spares and repair parts in fiscal year 1986. The House amendment would authorize $1,344.6 million for Navy aircraft spares and repair parts in fiscal year 1986. The Senate bill would authorize $1,375.7 million for Navy aircraft spares and repair parts in fiscal year 1986.

The conferees recommend authorization of $1,425.2 million for procurement of Navy aircraft spares and repair parts in fiscal year

1986, including $85.3 million for F/A-18R spares, $4.0 million for C-20A spares, and an undistributed reduction of $40.0 million.

Navy aircraft support equipment and facilities

The budget request contained $864.7 million for Navy aircraft support equipment and facilities in fiscal year 1986, including $57.7 million for other production charges. The House amendment would authorize $786.7 million for Navy aircraft support equipment and facilities, including $54.7 million or other production charges, and an undistributed reduction of $75.0 million. The Senate bill would authorize $799.9 million for support equipment and facilities, including $57.7 million for other production charges, and an undistributed reduction of $64.8 million.

The conferees recommend authorization of $798.1 million for Navy aircraft support equipment and facilities in fiscal year 1986, including $56.0 million for other production charges, and an undistributed reduction of $64.8 million.

WEAPONS PROCUREMENT, NAVY

(DOLLARS IN MILLIONS)

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	BALLISTIC MISSILES														
1	UGM-73A (C-3) POSEIDON		5.0				5.0				5.0				5.0
2	UGM-96A (C-4) TRIDENT I		77.0		-30.0		47.0		-10.0		67.0		-30.0		47.0
	LESS: ADVANCE PROCUREMENT (PY)		-10.8				-10.8				-10.8				-10.8
	NET		66.2		-30.0		36.2		-10.0		56.2				36.2
3	TRIDENT II		312.7				312.7				312.7				312.7
4	ADVANCE PROCUREMENT (CY)		269.3				269.3				269.3				269.3
	MODIFICATION OF MISSILES														
5	UGM-73A (C-3) POSEIDON MODS		15.0		-10.0		5.0				15.0		-10.0		5.0
	SUPPORT EQUIPMENT AND FACILITIES														
7	MISSILE INDUSTRIAL FACILITIES		4.5				4.5				4.5				4.5
8	ASTRONAUTICS		12.6				12.6				12.6				12.6
	SUBTOTAL, BALLISTIC MISSILES		685.3		-40.0		645.3		-10.0		675.3		-40.0		645.3
	OTHER MISSILES														
	STRATEGIC MISSILES														
9	BGM-109 TOMAHAWK	249	698.2			249	698.2			249	698.2			249	698.2
	LESS: ADVANCE PROCUREMENT (PY)		-28.0				-28.0				-28.0				-28.0
	NET		670.2				670.2				670.2				670.2
10	ADVANCE PROCUREMENT (CY)		64.6		-10.0		54.6				64.6		-10.0		54.6

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	TACTICAL MISSILES														
11	AIM/RIM-7 F/M SPARROW	1872	359.2			1872	359.2			1872	359.2			1872	359.2
12	ADVANCE PROCUREMENT (CY)		9.5				9.5		-9.5		0.0		-9.5		0.0
13	AIM-9L/M SIDEWINDER	1220	85.8			1220	85.8	630	40.0	1850	125.8	630	40.0	1850	125.8
14	ADVANCE PROCUREMENT (CY)		8.0				8.0		-8.0		0.0		-8.0		0.0
15	AIM-54A/C (PHOENIX)	265	368.0			265	368.0			265	368.0			265	368.0
	LESS: ADVANCE PROCUREMENT (PY)		-24.4				-24.4				-24.4				-24.4
			--------				--------				--------				--------
	NET		343.6				343.6				343.6				343.6
16	ADVANCE PROCUREMENT (CY)		38.3				38.3		-13.5		24.8		-13.5		24.8
17	AGM-84A HARPOON	395	314.9			395	314.9			395	314.9			395	314.9
18	AGM-88A HARM	904	258.0			904	258.0			904	258.0			904	258.0
19	SM-1 MR		26.4				26.4				26.4		9.5		35.9
20	ADVANCE PROCUREMENT (CY)		9.5				9.5		-9.5		0.0		-9.5		0.0
21	SM-2 MR	846	509.7			846	509.7			846	509.7			846	509.7
22	SM-2 ER	470	312.2			470	312.2			470	312.2			470	312.2
24	RAM	117	44.7			117	44.7			117	44.7			117	44.7
25	SIDEARM	168	20.5			168	20.5	717	59.5	885	80.0	717	59.5	885	80.0
26	HELLFIRE	1304	55.1			1304	55.1			1304	55.1			1304	55.1
27	LASER MAVERICK	1500	194.3			1500	194.3			1500	194.3			1500	194.3
28	IIR MAVERICK	195	27.8			195	27.8			195	27.8			195	27.8
29	AERIAL TARGETS		105.6		-20.0		85.6		28.0		133.6				105.6
30	DRONES AND DECOYS		29.4				29.4		15.0		44.4				29.4
31	OTHER MISSILE SUPPORT		12.3				12.3				12.3				12.3
	MODIFICATION OF MISSILES														
32	TOMAHAWK MODS		2.5				2.5				2.5				2.5
33	AIM/RIM-7E/F SPARROW MOD		2.3				2.3				2.3				2.3
34	AIM-9 SIDEWINDER MOD		30.3				30.3				30.3				30.3
35	AIM-54A/C PHOENIX MOD		13.2				13.2				13.2				13.2
36	AGM-84A HARPOON MOD		9.5				9.5				9.5				9.5
37	STANDARD MISSILES MOD		17.1				17.1				17.1				17.1

	SUPPORT EQUIPMENT AND FACILITIES														
39	WEAPONS INDUSTRIAL FACILITIES		18.9				18.9				18.9				18.9
40	FLEET SATELLITE COMMUNICATIONS		56.3				56.3				56.3				56.3
41	DEFENSE METEOROLOGICAL SATELLITE PROG		8.8		-8.8		0.0				8.8		-3.8		5.0
42	ORDNANCE SUPPORT EQUIPMENT		71.9		-20.0		51.9				71.9				71.9
	SUBTOTAL, OTHER MISSILES		3730.5		-58.8		3671.7		102.0		3832.5		54.7		3785.1
	TORPEDOES AND RELATED EQUIPMENT														
44	TORPEDO MK-48 ADCAP	123	417.4			123	417.4			123	417.4			123	417.4
46	TORPEDO MK-46 (MYP)	500	105.5			500	105.5			500	105.5			500	105.5
47	ADVANCE PROCUREMENT (CY)		23.6				23.6				23.6				23.6
49	MK-60 CAPTOR		0.0	150	59.6	150	59.6				0.0	150	59.6	150	59.6
50	MOBILE TARGET MK-30 (MYP)	6	20.6			6	20.6			6	20.6			6	20.6
52	MK-38 MINI MOBILE TARGET	1200	3.5			1200	3.5			1200	3.5			1200	3.5
53	ASROC		15.6				15.6				15.6				15.6
	MODIFICATION OF TORPEDOES AND RELATED EQUIPMENT														
55	MOBILE MINE MK-67	280	23.7			280	23.7			280	23.7			280	23.7
56	TORPEDO MK-46 MODS (MYP)	672	91.9			672	91.9			672	91.9			672	91.9
57	ADVANCE PROCUREMENT (CY)		8.4				8.4				8.4				8.4
59	CAPTOR MODS		15.7		-4.0		11.7				15.7				15.7
60	SWIMMER WEAPONS SYSTEM		1.5				1.5				1.5				1.5
	SUPPORT EQUIPMENT														
61	TORPEDO SUPPORT EQUIPMENT		47.4				47.4				47.4				47.4
62	ASW RANGE SUPPORT		23.2				23.2				23.2				23.2
	SUBTOTAL, TORPEDOES & RELATED EQUIPMENT		798.0		55.6		853.6		0.0		798.0		59.6		857.6

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	OTHER WEAPONS														
	GUNS AND GUN MOUNTS														
64	MK-15 CLOSE IN WEAPONS SYSTEM	39	150.1			39	150.1			39	150.1			39	150.1
65	MK-75 76MM GUN MOUNT	6	20.0			6	20.0			6	20.0			6	20.0
66	MK-19/40MM MACHINE GUN	56	1.2			56	1.2			56	1.2			56	1.2
67	25MM GUN MOUNT	29	5.5		-2.5	29	3.0			29	5.5			29	5.5
68	SMALL ARMS AND WEAPONS		11.3		-3.0		8.3				11.3				11.3
	9MM HANDGUN		(.5)				(0.0)				(.5)				(.5)
	MODIFICATION OF GUNS AND GUN MOUNTS														
69	CIWS MODS		37.1		-5.0		32.1				37.1				37.1
70	5"/54 GUN MOUNT MODS		14.1		-5.0		9.1				14.1				14.1
71	3"/50 GUN MOUNT MODS		.7				.7				.7				.7
72	MK 75 76MM GUN MOUNT MODS		4.2		-1.0		3.2				4.2				4.2
73	MODS UNDER $900,000		2.0		-1.0		1.0				2.0				2.0
	SUPPORT EQUIPMENT														
74	GUN SUPPORT EQUIPMENT		1.2				1.2				1.2				1.2
	SUBTOTAL, OTHER WEAPONS		247.5		-17.5		230.0		0.0		247.5		0.0		247.4
76	SPARES AND REPAIR PARTS		166.6		-50.0		116.6				166.6				166.6
	UNDISTRIBUTED REDUCTION		---		-25.0		-25.0				---		-25.0		-25.0
	CONVERTIBLE SPEC APPL SNIPER WEAPON		(0.0)				(0.0)		(2.3)		(2.3)		(2.3)		(2.3)
	INFLATION REESTIMATE FOR FY 86		---		-7.0		-7.0		-7.0		-7.0		-7.0		-7.0
	PRIOR YEAR PROGRAM SAVINGS		---		-15.0		-15.0		-15.0		-15.0		-15.0		-15.0
	FY 87 AND SUBSEQUENT YEARS INFLATION		---				---		-294.6		-294.6				---
	TOTAL, NAVY WEAPONS		5627.9		-157.7		5470.2		-224.6		5403.3		27.2		5655.1

WEAPONS PROCUREMENT, NAVY

The President's budget request contained $5,627.9 million for Navy weapons procurement.

The Senate bill would authorize $5,470.2 million and the transfer of $15 million for Navy weapons.

The House amendment would authorize $5,577.4 million and transfer of $15 million for Navy weapons.

The conferees recommend an authorization of $5,655.1 million and transfer of $15 million for Navy weapons.

UGM-96A (Trident I)

The budget request contained $66.2 million for UGM-96A Trident I missile. The House amendment would authorize $56.2 million for UGM-96A. The Senate bill would authorize $36.2 million for UGM-96A.

The conferees agree to authorize $36.2 million for UGM-96A.

UGM 73A Poseidon mods

The budget request contained $15.0 million for UGM 73A Poseidon mods. The House amendment would authorize $15.0 million for UGM 73A Poseidon mods. The Senate bill would authorize $5.0 million for UGM 73A Poseidon mods.

The conferees agree to authorize $5.0 million for UGM 73A Poseidon mods.

AIM/RIM 7 F/M missile (Sparrow)

The budget request contained $359.2 million for procurement of 1,872 Sparrow missiles in fiscal year 1986, and $9.5 million for advance procurement in fiscal year 1987. The House amendment would authorize $359.2 million for 1,872 missiles and no advance procurement. The Senate bill would authorize the requested amounts.

The conferees recommend authorization of $359.2 million for procurement of 1,872 Sparrow missiles in fiscal year 1986 and no advance procurement.

The Senate recedes.

AIM 9L/M (Sidewinder)

The budget request contained $85.8 million for procurement of 1,220 sidewinder missiles in fiscal year 1986 and $8.0 million for advance procurement for fiscal year 1987. The House amendment would authorize $125.8 million for procurement of 1,850 missiles and no authorization for advance procurement. The Senate bill would authorize the requested amounts.

The conferees recommend authorization of $125.8 million for procurement of 1,850 sidewinder missiles in fiscal year 1986 and no advance procurement.

The Senate recedes.

AIM-54A/C missiles (Phoenix)

The budget request contained $343.6 million for procurement of 265 AIM-54A/C missiles in fiscal year 1986, and $38.3 million for advance procurement of 420 missiles in fiscal year 1987. The House amendment would authorize $343.6 million for procurement of 265 missiles in fiscal year 1986, and $24.8 million for advance procurement of 265 missiles in fiscal year 1987. The Senate bill would authorize the requested amounts.

The conferees recommend authorization of $343.6 million for 265 AIM 54A/C missiles in fiscal year 1986, and $24.8 million for advance procurement of 265 missiles in fiscal year 1987.

The Senate recedes.

Standard missile-1 MR (RIM-66E)

The budget request contained $26.4 million for SM-1 missile program procurement in fiscal year 1986 and $9.5 million for advance procurement for fiscal year 1987. The House amendment would authorize $26.4 million for missile program procurement and no advance procurement. The Senate bill would authorize the requested amounts.

The conferees recommend authorization of $35.9 million for SM-1 MR missile program procurement and no advance procurement.

The Senate recedes with an amendment.

Sidearm missiles

The budget request contained $20.5 million for procurement of 168 Sidearm missiles in fiscal year 1986. The House amendment would authorize $80.0 million for procurement of 885 Sidearm missiles. The Senate bill would authorize the requested amounts.

The conferees recommend authorization of $80.0 million for procurement of 885 Sidearm missiles in fiscal year 1986.

The Senate recedes.

Aerial targets

The budget request contained $105.6 million for procurement of aerial targets in fiscal year 1986. The House amendment would authorize $133.6 million for aerial targets. The Senate bill would authorize $85.6 million for aerial targets.

The conferees recommend authorization of $105.6 million for aerial targets in fiscal year 1986.

Drones and decoys

The budget request contained $29.4 million for procurement of drones and decoys in fiscal year 1986. The House amendment would authorize $44.4 million for drones and decoys. The Senate bill would authorize the requested amount for drones and decoys.

The conferees recommend authorization of $29.4 million for procurement of drones and decoys in fiscal year 1986.

The House recedes.

Navy missile support equipment and facilities

The budget request contained $84.0 million for Navy missile support equipment and facilities in fiscal year 1986. The House amendment would authorize the requested amount. The Senate bill would authorize $75.2 million for support equipment and facilities including no authorization for the Defense Meteorological Satellite Program.

The conferees recommend authorization of $80.2 million for Navy missile support equipment and facilities including $5.0 million for the Defense Meteorological Satellite Program.

Ordnance support equipment

The budget request contained $71.9 million for Navy missile ordnance support equipment in fiscal year 1986. The House amendment would authorize the requested amount. The Senate bill would authorize $51.9 million for ordnance support equipment.

The conferees recommend authorization of $71.9 million for Navy missile ordnance support equipment in fiscal year 1986.

The Senate recedes.

MK-60 encapsulated torpedo (CAPTOR)

The budget requested no authorization for the MK-60 CAPTOR mine. The Senate bill would authorize $59.6 million for 150 units. The House amendment contained no authorization for CAPTOR.

The House recedes.

MK-60 encapsulated torpedo (CAPTOR) modifications

The budget request contained $15.7 million for CAPTOR modifications. The Senate bill would authorize $11.7 million; the House amendment would authorize the amount requested.

The Senate recedes.

25-millimeter gun mount

The budget request contained $5.5 million for 29 25-millimeter gun mounts. The Senate bill would authorize $3.0 million for 29 gun mounts. The House amendment would authorize the amount requested.

The Senate recedes.

Small arms and weapons

The budget request contained $11.3 million for small arms and weapons. The Senate bill would authorize $8.3 million. The House amendment would authorize the amount requested.

The Senate recedes.

MK-15 close-in weapon system (CIWS) modifications

The budget request contained $37.1 million for CIWS modifications. The Senate bill would authorize $32.1 million. The House amendment would authorize the amount requested.

The Senate recedes.

5″/54 gun mount modifications

The budget request contained $14.1 million for 5″/54 gun mount modifications. The Senate bill would authorize $9.1 million. The House amendment would authorize the amount requested.

The Senate recedes.

Mk-75 76-millimeter gun mount modifications

The budget request contained $4.2 million for Mk-75 76mm gun mount modifications. The Senate bill would authorize $3.2 million. The House amendment would authorize the amount requested.

The Senate recedes.

Modifications under $900,000

The budget request contained $2.0 million for modifications of guns and gun mounts of less than $900,000. The Senate bill would authorize $1.0 million. The House amendment would authorize the amount requested.

The Senate recedes.

Weapons procurement, Navy spares and repair parts

The budget request contained $166.6 million for spares and repair parts for weapons procurement items. The Senate bill would authorize $116.6 million. The House amendment would authorize the amount requested.

The Senate recedes.

Weapons procurement, undistributed reduction

The Senate bill would make an undistributed reduction to the Weapons Procurement, Navy account of $25 million. The House amendment contained no reduction.

The House recedes.

Authorization for special operations weapons for the Navy

Section 1203 of the House amendment would authorize the Secretary of the Navy to obligate $2.3 million of the amounts authorized for Navy weapons in section 1184 of the House amendment for the acquisition of convertible special application sniper weapons.

The Senate bill did not contain a similar provision.

The conferees agreed that $2.3 million of the amounts authorized for Navy weapons may be used for convertible special application sniper weapons.

SHIPBUILDING AND CONVERSION, NAVY

(DOLLARS IN MILLIONS)

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	FLEET BALLISTIC MISSILE SHIPS														
1	TRIDENT (NUCLEAR)	1	1547.7		-100.0	1	1447.7			1	1547.7		-50.0	1	1497.7
	LESS: ADVANCE PROCUREMENT (PY)		-264.1				-264.1				-264.1				-264.1
	NET		1283.6		-100.0		1183.6				1283.6				1233.6
2	ADVANCE PROCUREMENT (CY)		248.2				24[illegible]				248.2				248.2
	SUBTOTAL, FLEET BALLISTIC MISSILE SHIPS		1531.8		-100.0		1431.8		0.0		1531.8		-50.0		1481.8
	OTHER WARSHIPS														
4	SSN-688 CLASS SUBMARINE (NUCLEAR)	4	2685.0		-10.0	4	2675.0			4	2685.0		-10.0	4	2675.0
	LESS: ADVANCE PROCUREMENT (PY)		-561.8				-561.8				-561.8				-561.8
	NET		2123.2		-10.0		2113.2				2123.2				2113.2
5	ADVANCE PROCUREMENT (CY)		585.2				585.2				585.2				585.2
8	BATTLESHIP REACT ADVANCE PROCUREMENT (CY)		53.5				53.5				53.5				53.5
10	CV SLEP ADVANCE PROCUREMENT (CY)		133.4				133.4				133.4				133.4
11	CG-47 AEGIS CRUISER (MYP)	3	2767.3			3	2787.3			3	2787.3			3	2787.3
	LESS: ADVANCE PROCUREMENT (PY)		-35.7				-35.7				-35.7				-35.7
	NET		2751.6				2751.6				2751.6				2751.6
12	ADVANCE PROCUREMENT (CY)		14.6				14.6				14.6				14.6
14	DDG-51 ADVANCE PROCUREMENT (CY)		164.3				164.3				164.3				164.3
	SUBTOTAL, OTHER WARSHIPS		5825.8		-10.0		5815.8		0.0		5825.8		-10.0		5815.8

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	AMPHIBIOUS SHIPS														
15	LSD-41 LANDING SHIP DOCK	2	497.9			2	497.9			2	497.9			2	497.9
	LESS: ADVANCE PROCUREMENT (PY)		-83.5				-83.5				-83.5				-83.5
	NET		414.4				414.4				414.4				414.4
17	LHD-1 AMPHIBIOUS ASSAULT SHIP	1	1187.8			1	1187.8			1	1187.8			1	1187.8
	LESS: ADVANCE PROCUREMENT (PY)		-39.2				-39.2				-39.2				-39.2
	NET		1148.6				1148.6				1148.6				1148.6
18	ADVANCE PROCUREMENT (CY)		358.6		-193.0		165.6		-193.0		165.6		-193.0		165.6
	SUBTOTAL, AMPHIBIOUS SHIPS		1921.6		-193.0		1728.6		-193.0		1728.6		-193.0		1728.6
	MINE WARFARE & PATROL SHIPS														
22	MCM MINE COUNTERMEASURES SHIP	4	334.1	-2	-167.0	2	167.1			4	334.1	-2	-167.0	2	167.1
23	MSH-1 COASTAL MINE HUNTER	4	184.5			4	184.5			4	184.5			4	184.5
	SUBTOTAL, MINE WARFARE & PATROL SHIPS		518.6		-167.0		351.6		0.0		518.6		-167.0		351.6
	AUXILIARIES, CRAFT & PY PROG COSTS														
24	TAO FLEET OILER	2	328.5			2	328.5			2	328.5			2	328.5
25	TAGOS SURTASS SHIP	2	113.9			2	113.9			2	113.9			2	113.9
26	ADVANCE PROCUREMENT (CY)		1.2				1.2				1.2				1.2
28	AG SOUND BARGE	1	68.9			1	68.9			1	68.9			1	68.9
29	MTSD		26.5				26.5				26.5				26.5
35	SERVICE CRAFT		79.5		-41.8		37.7		-41.8		37.7		-41.8		37.7
36	LANDING CRAFT		34.4				34.4				34.4				34.4
37	STRATEGIC SEALIFT		203.4				203.4	2	25.0	2	228.4	2	25.0	2	228.4

		FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
LINE NO.	TITLE	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
36	LCAC LANDING CRAFT	12	307.5			12	307.5			12	307.5			12	307.5
	LESS: ADVANCE PROCUREMENT (PY)		-31.3				-31.3				-31.3				-31.3
	NET		276.2				276.2				276.2				276.2
39	ADVANCE PROCUREMENT (CY)		30.8				30.8				30.8				30.8
40	OUTFITTING		228.5				228.5				228.5				228.5
41	POST DELIVERY		112.6				112.6				112.6				112.6
43	TACS CRANE SHIP (CONV)	3	82.5			3	82.5			3	82.5			3	82.5
44	TAVB (CONV)	1	32.1			1	32.1			1	32.1			1	32.1
	LESS: ADVANCE PROCUREMENT (PY)		-5.2				-5.2				-5.2				-5.2
	NET		26.9				26.9				26.9				26.9
	SUBTOTAL, AUXIL, CRAFT & PY PROG COSTS		1613.8		-41.8		1572.0		-16.8		1597.0		-16.8		1597.0
	UNDISTRIBUTED REDUCTION		---		-100.0		-100.0				---		-100.0		-100.0
	PRIOR YEAR AUTHORIZATION TRANSFER		---		-437.6		-437.6		-437.6		-437.6		-437.6		-437.6
	PRIOR YEAR INFLATION SAVINGS		---		-337.0		-337.0		-337.0		-337.0		-337.0		-337.0
	INFLATION REESTIMATE FOR FY 86		---		-14.0		-14.0		-14.0		-14.0		-14.0		-14.0
	PRIOR YEAR PROGRAM SAVINGS		---		-85.0		-85.0		-85.0		-85.0		-85.0		-85.0
	FY 87 AND SUBSEQUENT YEARS INFLATION		---				---		-835.8		-835.8				---
	TOTAL, NAVY SHIPBUILDING AND CONVERSION		11411.6		-1485.4		9926.2		-1919.2		9492.4		-1410.4		10001.2

SHIPBUILDING AND CONVERSION, NAVY

The President's budget request contained $11,411.6 million for the construction, conversion, reactivation, service life extension, and acquisition of 28 naval vessels.

The Senate bill contained an authorization of $9,926.2 million and authorized the transfer of $859.6 million for 26 naval vessels.

The House amendment contained authorization of $10,739.2 million and authorized the transfer of $859.6 million for 28 naval vessels.

The conferees agreed to authorizations totaling $10,001.2 million and the transfer of $859.6 million for 26 naval vessels.

Trident ballistic missile submarine

The budget request contained $1,531.8 million for the Trident submarine program, including $1,283.6 million for the thirteenth submarine and $248.2 million for advance procurement for the fourteenth and fifteenth ships.

The Senate bill would authorize $1,183.8 million for the thirteenth Trident submarine and $248.6 million for advance procurement. The House amendment would authorize the amounts requested.

The conferees agreed to recommend $1,233.6 million for the thirteenth submarine and $248.2 million for advance procurement, a total of $1,481.2 million.

Los Angeles class attack submarine

The budget request contained $2,708.4 million for the Los Angeles class attack submarine program, including $2,123.2 million for 4 submarines and $585.2 million for advance procurement.

The Senate bill would authorize $2,698.4 million for the 4 submarines and $585.2 million for advance procurement. The House amendment would authorize the amounts requested.

The House recedes.

Mine countermeasures (MCM) ship

The budget request contained $334.1 million for 4 mine countermeasures ships.

The Senate bill would authorize $167.1 million for 2 ships. The House amendment would authorize the number of ships and the amount requested.

The House recedes.

LHD-1 class amphibious assault ship (sec.)

The Senate bill contained a provision (sec. 102(c)) that would authorize multiyear procurement of the LHD-1 class amphibious assault ship in accordance with section 2306(h) of title 10, United States Code and would limit cancellation ceilings on the LHD-1 multiyear contracts to the amount appropiated for the LHD-1 program. The House amendment contained a provision (sec. 102(g)) that would authorize multiyear procurement in accordance with section 2306(h) of title 10, United States Code.

The Senate recedes.

The conference agreement authorizes $1,314.2 million for the amphibious assault ship program, including $165.6 million for advance procurement. The conference agreement also authorizes multiyear procurement of three LHD-1 class ships in accordance with section 2306(h) of title 10, United States Code. Under the provisions of section 2306(h) the Secretary of the Navy, after determination that the statutory provisions necessary for multiyear procurement have been met, may for example, use termination liability clauses, adjust the timing and quantity of component orders, and accelerate the acquisition of material and initial fabrication in order to obtain the most advantageous terms and reduce costs.

Strategic sealift

The budget request contained $203.4 million for the purchase of strategic sealift vessels.

The House amendment would authorize $228.4 million for strategic sealift, an increase of $25 million. The Senate bill would authorize the amount requested.

The Senate recedes.

Shipbuilding and conversion, undistributed reduction

The Senate bill would make an undistributed reduction in the shipbuilding and conversion account of $100 million. The House amendment contained no similar reduction.

The House recedes.

DDG-51 helicopter support facilities

The present design for the Arleigh Burke (DDG-51) class destroyer would provide only minimal helicopter support facilities. The Navy has indicated that expanded helicopter facilities would be desirable, but were not included because they would have increased the ship's projected costs above the established cost ceiling. Now as a result of recent favorable contract negotiations, it appears the DDG-51 may cost less than anticipated, and additional helicopter support facilities could be included within the established cost ceiling.

Accordingly, the conferees direct the Secretary of the Navy to review options for expanding helicopter support facilities in some or all of the DDG-51 class ships, and to submit a detailed report with recommendations to the Committees on Armed Services and Appropriations of the Senate and House of Representatives not later than January 15, 1986.

The report should address the cost effectiveness of a suitable range of options. At a minimum, the alternatives considered should include full LAMPS MK-III installation and simply adding a helicopter rearming capability to the existing DDG-51 design.

OTHER PROCUREMENT, NAVY

(DOLLARS IN MILLIONS)

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				---			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	SHIP PROPULSION EQUIPMENT														
1	LM-2500 GAS TURBINE		13.3				13.3				13.3				13.3
2	ALLISON 501K GAS TURBINE	2	15.5			2	15.5			2	15.5			2	15.5
3	LM2500 SPECIAL SUPPORT EQUIPMENT		.9				.9				.9				.9
4	STEAM PROPULSION IMPROVEMENT PROGRAM		6.8				6.8				6.8				6.8
5	OTHER PROPULSION EQUIPMENT		19.9				19.9				19.9				19.9
	GENERATORS														
7	OTHER GENERATORS		16.0				16.0				16.0				16.0
	PUMPS														
8	OTHER PUMPS		11.6				11.6				11.6				11.6
	AIR COMPRESSORS														
9	HIGH PRESSURE AIR COMPRESSOR	12	3.3			12	3.3			12	3.3			12	3.3
	PROPELLERS														
11	SUBMARINE PROPELLERS	15	3.0			15	3.0			15	3.0			15	3.0
12	OTHER PROPELLERS AND SHAFTS		11.5				11.5				11.5				11.5
	NAVIGATION EQUIPMENT														
13	ELECTRICALLY SUSPENDED GYRO NAVIGATOR	8	36.8			8	36.8			8	36.8			8	36.8
14	CARRIER NAVIGATION SYSTEM		9.5				9.5				9.5				9.5
15	OTHER NAVIGATION EQUIPMENT		16.1				16.1				16.1				16.1

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	UNDERWAY REPLENISHMENT EQUIPMENT														
16	UNDERWAY REPLENISHMENT EQUIPMENT		8.5				8.5				8.5				8.5
	PERISCOPES														
17	TYPE 18 PERISCOPE		16.2				16.2				16.2				16.2
18	TYPE 8 PERISCOPES		.1				.1				.1				.1
19	PERISCOPES AND ACCESSORIES		5.4				5.4				5.4				5.4
	OTHER SHIPBOARD EQUIPMENT														
20	FIREFIGHTING EQUIPMENT		5.1				5.1				5.1				5.1
21	COMMAND AND CONTROL SWITCHBOARDS	12	10.6			12	10.6			12	10.6			12	10.6
22	POLLUTION CONTROL EQUIPMENT		9.3				9.3				9.3				9.3
23	SUBMARINE SILENCING EQUIPMENT		18.0				18.0				18.0				18.0
24	SURFACE SHIP SILENCING EQUIPMENT		3.4				3.4				3.4				3.4
25	SUBMARINE BATTERIES	37	8.3			37	8.3			37	8.3			37	8.3
26	STRATEGIC PLATFORM SUPPORT EQUIPMENT		56.5				56.5				56.5				56.5
27	DSSP EQUIPMENT		11.3				11.3				11.3				11.3
28	SEALIFT SUPPORT EQUIPMENT		59.0		12.0		71.0		15.0		74.0		12.0		71.0
	(SEASHEDS)		(30.4)		(12.0)		(42.4)		(12.0)		(42.4)		(12.0)		(42.4)
	(MODULAR CAUSEWAY)		(13.0)				(13.0)		(3.0)		(16.0)		(0.0)		(13.0)
30	MINESWEEPING CABLE		5.7				5.7				5.7				5.7
31	HM+E ITEMS UNDER 900K		10.8				10.8				10.8				10.8
32	SURFACE IMA		7.0				7.0				7.0				7.0
33	RADIOLOGICAL CONTROLS		2.3				2.3				2.3				2.3
34	MINI/MICROMINI ELECTRONIC REPAIR		1.0				1.0				1.0				1.0
35	CHEMICAL WARFARE DETECTORS	302	15.4			302	15.4			302	15.4			302	15.4
36	SUBMARINE LIFE SUPPORT SYSTEM	4	13.4			4	13.4			4	13.4			4	13.4
37	HM&E ENGINEERED MAINTENANCE		8.4				8.4				8.4				8.4
	REACTOR PLANT EQUIPMENT														
39	REACTOR POWER UNITS	6	163.4			6	163.4			6	163.4			6	163.4
40	REACTOR COMPONENTS		227.8				227.8				227.8				227.8

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	OCEAN ENGINEERING														
41	MAN IN THE SEA		.9				.9				.9				.9
42	DIVING AND SALVAGE EQUIPMENT		8.3				8.3				8.3				8.3
43	NAVAL SPECIAL WARFARE EQUIPMENT		30.8				30.8				30.8				30.8
	SMALL BOATS														
44	SMALL BOATS	251	14.8			251	14.8			251	14.8			251	14.8
	TRAINING EQUIPMENT														
46	NEW SHIPS TRAINING EQUIP		19.6				19.6				19.6				19.6
47	OTHER SHIPS TRAINING EQUIPMENT		10.9				10.9				10.9				10.9
	PRODUCTION FACILITIES EQUIPMENT														
48	CALIBRATION EQUIPMENT		1.1				1.1				1.1				1.1
49	PRODUCTION SUPPORT FACILITIES		5.8				5.8				5.8				5.8
	UNDISTRIBUTED REDUCTION		---				---		-30.0		-30.0				---
	SUBTOTAL, SHIP PROPULSION EQUIPMENT		923.0		12.0		935.0		-15.0		908.0		12.0		935.0
	COMMUNICATONS AND ELECTRONICS EQUIPMENT														
	SHIP RADARS														
52	AN/SPS-67	23	9.2			23	9.2			23	9.2			23	9.2
53	AN/SPS-40		14.8				14.8				14.8				14.8
54	AN/SPS-48		67.5				67.5				67.5				67.5
55	AN/SPS-49		14.1				14.1				14.1				14.1
56	AN/SYS-()	7	13.1			7	13.1			7	13.1			7	13.1
57	MK 23 TARGET ACQUISITION SYSTEM	3	19.9			3	19.9			3	19.9			3	19.9
58	RADAR SUPPORT		25.0				25.0				25.0				25.0

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	SHIP SONARS														
59	AN/SQS-26/53/53A		7.9				7.9				7.9				7.9
60	AN/SQS-53B	5	30.9			5	30.9			5	30.9			5	30.9
62	AN/BQQ-5		101.0				101.0				101.0				101.0
63	TB-16 TOWED ARRAY (MYP)	9	2.9			9	2.9			9	2.9			9	2.9
	LESS: ADVANCE PROCUREMENT (PY)		-1.4				-1.4				-1.4				-1.4
	NET		1.5				1.5				1.5				1.5
65	SURF SONAR WINDOWS AND DOMES		8.5				8.5				8.5				8.5
66	SONAR SUPPORT EQUIPMENT		11.8				11.8				11.8				11.8
67	SONAR SWITCHES AND TRANSDUCERS		40.3				40.3				40.3				40.3
68	FBM SYSTEM SONARS		13.4				13.4				13.4				13.4
	ASW ELECTRONIC EQUIPMENT														
70	SUBMARINE ACOUSTIC WARFARE SYSTEMS		10.4				10.4				10.4				10.4
71	AN/SLQ-25 (NIXIE)	44	11.5			44	11.5			44	11.5			44	11.5
72	ACOUSTIC COMMUNICATIONS		.4				.4				.4				.4
73	SUBMARINE ADVANCED COMBAT SYSTEM		2.8				2.8				2.8				2.8
74	SOSUS		85.8				85.8				85.8				85.8
75	AN/SQR-17 ACOUSTIC PROCESSOR	20	15.2			20	15.2			20	15.2			20	15.2
76	AN/SQR-18 TOWED ARRAY SONAR		41.7				41.7				41.7				41.7
77	AN/SQR-15 TOWED ARRAY SONAR		1.9				1.9				1.9				1.9
78	AN/SQR-19 TOWED ARRAY SONAR	16	146.5			16	146.5			16	146.5			16	146.5
79	SURTASS		19.4				19.4				19.4				19.4
80	ASW OPERATIONS CENTER		30.0				30.0				30.0				30.0
81	CARRIER ASW MODULE		31.5				31.5				31.5				31.5
	ELECTRONIC WARFARE EQUIPMENT														
82	AN/SLQ-32		102.4				102.4				102.4				102.4
83	AN/SLQ-17		14.2				14.2				14.2				14.2
84	AN/WLR-1		3.5				3.5				3.5				3.5
85	AN/WLR-8	1	3.0			1	3.0			1	3.0			1	3.0
86	ICAD SYSTEMS		4.8				4.8				4.8				4.8

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
87	OFFBOARD DECEPTION DEVICES		22.2				22.2				22.2				22.2
88	EW SUPPORT EQUIPMENT		21.5				21.5				21.5				21.5
89	FLEET EW SUPPORT GROUP		1.7				1.7				1.7				1.7
90	C3 COUNTERMEASURES		8.5				8.5				8.5				8.5
	RECONNAISSANCE EQUIPMENT														
91	COMBAT CRYPTOLOGIC SUPPORT CONSOLE		4.0				4.0				4.0				4.0
92	COMBAT DF		25.1				25.1				25.1				25.1
93	OUTBOARD		36.4				36.4				36.4				36.4
94	NAVAL INTELLIGENCE PROCESSING SYSTEM		15.6				15.6				15.6				15.6
	SUBMARINE SURVEILLANCE EQUIPMENT														
95	AN/WLQ-4 DEPOT		5.4				5.4				5.4				5.4
96	AN/WLQ-4 IMPROVEMENTS		2.5				2.5				2.5				2.5
97	AN/BRD-7/8/9	4	12.8			4	12.8			4	12.8			4	12.8
100	SUBMARINE SUPPORT EQUIPMENT PROGRAM		4.5				4.5				4.5				4.5
---	AN/BLD-1		0.0				0.0		11.8		11.8		11.8		11.8
	OTHER SHIP ELECTRONIC EQUIPMENT														
101	NAVY TACTICAL DATA SYSTEM		130.9				130.9				130.9				130.9
102	TACTICAL FLAG COMMAND CENTER	4	20.8			4	20.8			4	20.8			4	20.8
104	MINESWEEPING SYSTEM REPLACEMENT		3.5				3.5				3.5				3.5
106	OMEGA SHIPBOARD EQUIPMENT	44	1.6			44	1.6			44	1.6			44	1.6
107	NAVSTAR GPS RECEIVERS	62	24.8	-45	-15.0	17	9.8			62	24.8		-4.0	62	20.8
108	HF LINK-11 DATA TERMINALS	14	3.9			14	3.9			14	3.9			14	3.9
109	ARMED FORCES RADIO AND TV		6.9				6.9				6.9				6.9
110	STRATEGIC PLATFORM SUPPORT EQUIPMENT		193.8				193.8				193.8				193.8
	TRAINING EQUIPMENT														
111	OTHER NAVELEX TRAINING EQUIPMENT		.1				.1				.1				.1
112	OTHER NAVSEA TRAINING EQUIPMENT		4.6				4.6				4.6				4.6

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	AVIATION ELECTRONIC EQUIPMENT														
113	MATCALS		16.3				16.3				16.3				16.3
115	SHIPBOARD AIR TRAFFIC CONTROL		13.3				13.3				13.3				13.3
116	AUTOMATIC CARRIER LANDING SYSTEMS		9.2				9.2				9.2				9.2
117	TACAN		4.8				4.8				4.8				4.8
118	AIR STATION SUPPORT EQUIPMENT		12.2				12.2				12.2				12.2
119	MICROWAVE LANDING SYSTEM	14	7.4			14	7.4			14	7.4			14	7.4
120	FACSFAC		49.3		-29.3		20.0				49.3		-29.3		20.0
121	RADAR AIR TRAFFIC CONTROL	10	1.5			10	1.5			10	1.5			10	1.5
122	MK XII AIMS IFF		2.7				2.7				2.7				2.7
	OTHER SHORE ELECTRONIC EQUIPMENT														
125	NAVAL SPACE SURVEILLANCE SYSTEM		3.1				3.1				3.1				3.1
126	SPACE SYSTEM PROCESSING		2.1				2.1				2.1				2.1
127	MULTOTS		.6				.6				.6				.6
128	NCCS ASHORE		35.0				35.0				35.0				35.0
129	RADIAC		8.6				8.6				8.6				8.6
131	REMOTE SENSORS		1.6				1.6				1.6				1.6
132	GPETE		28.6				28.6				28.6				28.6
133	INTEG COMBAT SYS TEST FACILITY		5.3				5.3				5.3				5.3
134	CALIBRATION STANDARDS		7.0				7.0				7.0				7.0
135	EMI CONTROL INSTRUMENTATION		10.0				10.0				10.0				10.0
136	SHORE ELECTRONIC ITEMS UNDER 900K		5.1				5.1				5.1				5.1
	SHIPBOARD COMMUNICATIONS														
137	SHIPBOARD HF COMMUNICATIONS		13.6				13.6				13.6				13.6
138	SHIPBOARD UHF COMMUNICATIONS		7.3				7.3				7.3				7.3
139	FLIGHT DECK COMMUNICATIONS		6.2				6.2				6.2				6.2
140	PORTABLE RADIOS	271	3.7			271	3.7			271	3.7			271	3.7
141	SHIPBOARD COMMUNICATIONS AUTOMATION		16.0				16.0				16.0				16.0
142	SHIP COMM ITEMS UNDER $900K		7.7				7.7				7.7				7.7
143	SEALIFT SHIP COMMUNICATIONS		4.8				4.8				4.8				4.8

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	SUBMARINE COMMUNICATIONS														
144	ELF COMMUNICATIONS	34	13.2			34	13.2			34	13.2			34	13.2
145	SHORE LF/VLF COMMUNICATIONS		19.3				19.3				19.3				19.3
146	VERDIN		16.1				16.1				16.1				16.1
147	SSN INTEGRATED COMMUNICATIONS		1.7				1.7				1.7				1.7
149	SUBMARINE COMMUNICATIONS ANTENNAS		15.5				15.5				15.5				15.5
150	DATA COLLECTION AND RECORD SYSTEM	25	1.0			25	1.0			25	1.0			25	1.0
151	CIRCUIT MAYFLOWER		.3				.3				.3				.3
	SATELLITE COMMUNICATIONS														
152	SATCOM SHIP TERMINALS		46.2				46.2				46.2				46.2
153	SATCOM SHORE TERMINALS		22.9				22.9				22.9				22.9
	SHORE COMMUNICATIONS														
154	JCS COMMUNICATIONS EQUIPMENT		1.4				1.4				1.4				1.4
155	ELECTRICAL POWER SYSTEMS		.1				.1				.1				.1
156	SHORE HF COMMUNICATIONS		30.0				30.0				30.0				30.0
158	JOINT TACTICAL COMMUNICATIONS (TRI-TAC)		26.7				26.7				26.7				26.7
160	ASHORE MOBILE COMMUNICATIONS VANS	4	6.0			4	6.0			4	6.0			4	6.0
161	WORLDWIDE WIDEBAND COMMUNICATIONS		2.1				2.1				2.1				2.1
162	DEFENSE DATA NETWORK		2.8				2.8				2.8				2.8
163	WWMCCS COMMUNICATIONS EQUIPMENT		1.1				1.1				1.1				1.1
164	SHORE COMMUNICATIONS AUTOMATION		9.9				9.9				9.9				9.9
165	SHORE COMM ITEMS UNDER 900K		3.1				3.1				3.1				3.1
	CRYPTOGRAPHIC EQUIPMENT														
166	SINGLE AUDIO SYSTEM		18.2				18.2				18.2				18.2
167	TSEC/KY-71/72 (STU-II/STU-IIM)		15.8				15.8				15.8				15.8
168	TSEC/KG-84		27.1				27.1				27.1				27.1
169	TSEC/KY-57/58 (VINSON)		25.0				25.0				25.0				25.0
171	TSEC/KYV-5 (ANDVT)		4.6				4.6				4.6				4.6
172	TSEC/KW-46		14.3				14.3				14.3				14.3
173	TSEC/KG-72/KGV-14 (FDCS)		1.4				1.4				1.4				1.4

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
174	TSEC/KG-81 (WALBURN)		5.3				5.3				5.3				5.3
175	TSEC/KG-44 (DMSF)		7.9				7.9				7.9				7.9
177	TSEC/KG-58/KGV-6 (PLRS)		9.5				9.5				9.5				9.5
178	TRI-TAC CRYPTO (TENLEY)		11.9				11.9				11.9				11.9
179	TSEC/KY-67 (BANCROFT)		13.5				13.5				13.5				13.5
180	TSEC/KGV-11		4.5				4.5				4.5				4.5
181	COMMON FILL DEVICES		2.0				2.0				2.0				2.0
182	SIGNAL SECURITY		1.9				1.9				1.9				1.9
183	CRYPTOGRAPHIC ITEMS UNDER $900,000		5.5				5.5				5.5				5.5
	CRYPTOLOGIC EQUIPMENT														
186	CRYPTOLOGIC COMMUNICATIONS EQUIPMENT		4.9				4.9				4.9				4.9
187	SHIPS SIGNAL EXPLOITATION SPACE		4.8				4.8				4.8				4.8
188	CRYPTOLOGIC ITEMS UNDER 900K		6.0				6.0				6.0				6.0
189	CRYPTOLOGIC RESERVES EQUIPMENT		.8				.8				.8				.8
190	CRYPTOLOGIC FIELD TRAINING EQUIPMENT		2.1				2.1				2.1				2.1
191	SHORE CRYPTOLOGIC SUPPORT SYSTEM		2.3				2.3				2.3				2.3
	OTHER ELECTRONIC SUPPORT														
192	ADVANCE BASE FUNCTIONAL COMPONENTS		.1				.1				.1				.1
193	ELEC ENGINEERED MAINTENANCE (NAVSEA)		5.3				5.3				5.3				5.3
194	ELEC ENGINEERED MAINTENANCE (NAVELEX)		2.1				2.1				2.1				2.1
---	9TH BATTALION C&E EQUIPMENT		0.0		2.0		2.0				0.0		2.0		2.0
	UNDISTRIBUTED REDUCTION		---				---		-80.0		-80.0				---
	SUBTOTAL, COMM & ELEC EQUIPMENT		2154.0		-42.3		2111.7		-68.2		2085.8		-19.5		2134.5
	AVIATION SUPPORT EQUIPMENT														
	SONOBUOYS														
196	AN/SSQ-36 (BT)	31600	4.4			31600	4.4			31600	4.4			31600	4.4
	LESS: ADVANCE PROCUREMENT (PY)		-2.0				-2.0				-2.0				-2.0
	NET		2.4				2.4				2.4				2.4

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QT	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
198	AN/SSQ-53 (DIFAR)		143.0				143.0				143.0				143.0
199	AN/SSQ-57 (SPECIAL PURPOSE)		3.1				3.1				3.1				3.1
200	AN/SSQ-62 (DICASS)		27.0				27.0				27.0				27.0
202	AN/SSQ-77 (VLAD)		82.1				82.1				82.1				82.1
204	AN/SSQ-86 (DLC)		3.0				3.0				3.0				3.0
205	SIGNAL UNDERWATER SOUND (SUS)		1.4				1.4				1.4				1.4
207	LOW COST SONOBOUY		11.1				11.1	150000	35.0	150000	46.1	150000	35.0	150000	46.1
	AIR LAUNCHED ORDNANCE														
208	SKIPPER	925	27.6			925	27.6	500	12.5	1425	40.1			925	27.6
209	GENERAL PURPOSE BOMBS		148.6				148.6				148.6				148.6
210	LASER GUIDED BOMB KITS	652	22.1			652	22.1	-652	-22.2	0	-.1			652	22.1
211	WALLEYE		37.6				37.6				37.6				37.6
212	ROCKEYE	2090	8.8			2090	8.8			2090	8.8			2090	8.8
213	ZUNI ROCKET		20.7				20.7				20.7				20.7
214	2.75 INCH ROCKET		28.0				28.0				28.0				28.0
215	PARACHUTE FLARES	307	2.1			307	2.1			307	2.1			307	2.1
216	MACHINE GUN AMMUNITION		27.0				27.0		-3.5		23.5				27.0
217	PRACTICE BOMBS		76.5		-20.0		56.5		-11.0		65.5		-16.5		60.0
218	CARTRIDGES + CARTRIDGE ACTUATED DEVICES		29.9				29.9				29.9				29.9
219	AIRCRAFT ESCAPE ROCKETS		8.1				8.1				8.1				8.1
220	AIRBORNE EXPENDABLE COUNTERMEASURES		91.7				91.7		-11.9		79.8				91.7
221	MARINE LOCATION MARKERS		7.8				7.8				7.8				7.8
222	DEFENSE NUCLEAR AGENCY MATERIAL		2.2				2.2				2.2				2.2
223	BIGEYE CHEMICAL WEAPON	425	21.5			425	21.5			425	21.5			425	21.5
224	JATOS		15.6				15.6				15.6				15.6
225	GATOR	1380	44.7			1380	44.7			1380	44.7			1380	44.7
226	MISC AIR LAUNCHED ORDNANCE		.2				.2				.2				.2
	AIRCRAFT SUPPORT EQUIPMENT														
227	WEAPONS RANGE SUPPORT EQUIPMENT		85.9		-10.0		75.9				85.9				85.9
229	EXPEDITIONARY AIRFIELDS		2.9				2.9				2.9				2.9
230	AIRCRAFT REARMING EQUIPMENT		79.0		-30.0		49.0				79.0				79.0
231	CATAPULTS AND ARRESTING GEAR		27.5				27.5				27.5				27.5
233	METEOROLOGICAL EQUIPMENT		2.4				2.4				2.4				2.4

		FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
LINE NO.	TITLE	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
234	OTHER PHOTOGRAPHIC EQUIPMENT		1.7				1.7				1.7				1.7
235	MISC SURVIVAL EQUIPMENT		17.7				17.7				17.7				17.7
236	AIRBORNE MINE COUNTERMEASURES		23.0				23.0				23.0				23.0
237	LAMPS MK III SHIPBOARD EQUIPMENT		42.7				42.7				42.7				42.7
238	REWSON PHOTOGRAPHIC EQUIPMENT		2.4				2.4				2.4				2.4
239	STOCK SURVEILLANCE EQUIPMENT		2.3				2.3				2.3				2.3
240	OTHER AVIATION SUPPORT EQUIPMENT		3.1				3.1				3.1				3.1
---	MOBILE VAN AMCM SUPPORT		0.0				0.0		4.3		4.3		4.3		4.3
	ROUNDING ADJUSTMENT		-.1				-.1				-.1				---
	SUBTOTAL, AVIATION SUPPORT EQUIPMENT		1184.0		-60.0		1124.0		3.2		1187.2		22.8		1206.8
	ORDNANCE SUPPORT EQUIPMENT														
	SHIP GUN AMMUNITION														
243	5 /38 GUN AMMUNITION		4.5				4.5				4.5				4.5
244	5 /54 GUN AMMUNITION		67.0				67.0				67.0				67.0
245	5 INCH GUIDED PROJECTILE		104.3				104.3				104.3				104.3
246	16 INCH GUN AMMUNITION		7.9				7.9				7.9				7.9
247	CIWS AMMUNITION		35.2				35.2				35.2				35.2
248	76MM GUN AMMUNITION		17.3				17.3				17.3				17.3
249	OTHER SHIP GUN AMMUNITION		18.4				18.4				18.4				18.4
	SHIP GUN SYSTEM EQUIPMENT														
250	GUN FIRE CONTROL EQUIPMENT		34.8				34.8				34.8				34.8
252	COAST GUARD GUN SYSTEM	3	28.8			3	28.8			3	28.8			3	28.8
	SHIP MISSILE SYSTEMS EQUIPMENT														
253	MK 92 FIRE CONTROL SYSTEM		2.9				2.9				2.9				2.9
254	HARPOON SUPPORT EQUIPMENT		13.0				13.0				13.0				13.0
255	TERRIER SUPPORT EQUIPMENT		112.1				112.1				112.1				112.1
256	TARTAR SUPPORT EQUIPMENT		106.8				106.8				106.8				106.8
257	POINT DEFENSE SUPPORT EQUIPMENT (MYP)		43.8				43.8				43.8				43.8
258	AIRBORNE ECM/ECCM		1.0				1.0				1.0				1.0

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
260	AEGIS SUPPORT EQUIPMENT		61.8				61.8				61.8				61.8
261	SURFACE TOMAHAWK SUPPORT EQUIPMENT		86.6				86.6				86.6				86.6
262	SUBMARINE TOMAHAWK SUPPORT EQUIPMENT		19.0				19.0				19.0				19.0
263	VERTICAL LAUNCH SYSTEM	3	127.4			3	127.4			3	127.4			3	127.4
	FBM SUPPORT EQUIPMENT														
264	STRATEGIC PLATFORM SUPPORT EQUIPMENT		168.9				168.9				168.9				168.9
	ASW SUPPORT EQUIPMENT														
266	MK 117 FIRE CONTROL SYSTEM		60.0				60.0				60.0				60.0
267	SUBMARINE ASW SUPPORT EQUIPMENT		25.7				25.7				25.7				25.7
268	SURFACE ASW SUPPORT EQUIPMENT		20.8				20.8				20.8				20.8
269	MK 11[illegible] FIRE CONTROL SYSTEM	8	25.7			8	25.7			8	25.7			8	25.7
270	ASW RANGE SUPPORT EQUIPMENT		7.0				7.0				7.0				7.0
	OTHER ORDNANCE SUPPORT EQUIPMENT														
271	EXPLOSIVE ORDNANCE DISPOSAL EQUIP		11.0				11.0				11.0				11.0
272	SWIMMER WEAPONS SYSTEMS		1.2				1.2				1.2				1.2
273	UNMANNED SEABORNE TARGET		7.8				7.8				7.8				7.8
274	ANTI-SHIP MISSILE DECOY SYSTEMS	5	4.6			5	4.6			5	4.6			5	4.6
275	CALIBRATION EQUIPMENT		3.3				3.3				3.3				3.3
276	STOCK SURVEILLANCE EQUIPMENT		2.1				2.1				2.1				2.1
279	OTHER ORDNANCE TRAINING EQUIPMENT		1.5				1.5				1.5				1.5
	OTHER EXPENDABLE ORDNANCE														
281	SMALL ARMS AND LANDING PARTY AMMO		18.8				18.8				18.8				18.8
282	PYROTECHNIC AND DEMOLITION MATERIAL		25.5				25.5				25.5				25.5
283	QUICKSTRIKE		50.5				50.5				50.5				50.5
284	FLEET MINE SUPPORT EQUIPMENT		25.2				25.2				25.2				25.2
285	MINE NEUTRALIZATION DEVICES		3.2				3.2				3.2				3.2

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
286	DEFENSE NUCLEAR AGENCY MATERIAL		7.9				7.9				7.9				7.9
287	SHIPBOARD EXPENDABLE COUNTERMEASURES		33.2				33.2				33.2				33.2
	UNDISTRIBUTED REDUCTION		---				---		-70.0		-70.0				---
	SUBTOTAL, ORDNANCE SUPPORT EQUIPMENT		1396.5		0.0		1396.5		-70.0		1326.5		0.0		1396.5
	CIVIL ENGINEERING SUPPORT EQUIPMENT														
289	PASSENGER CARRYING VEHICLES	804	10.1			804	10.1			804	10.1			804	10.1
290	ARMORED SEDANS	1	.1			1	.1			1	.1			1	.1
291	TRUCKS	2775	38.1			2775	38.1			2775	38.1			2775	38.1
292	TRAILERS	271	4.0			271	4.0			271	4.0			271	4.0
293	CRUSH, MIX, BATCH, PAVE EQUIPMENT		4.7				4.7				4.7				4.7
294	DRILLING AND BLASTING EQUIPMENT		2.7				2.7				2.7				2.7
295	EARTH MOVING EQUIPMENT	228	11.4			228	11.4			228	11.4			228	11.4
296	LIGHTING AND POWER GENERATING EQUIP		3.5				3.5				3.5				3.5
297	MISC CONSTRUCTION AND MAINTENANCE EQUIP		3.5				3.5				3.5				3.5
298	FIRE FIGHTING EQUIPMENT	71	7.1			71	7.1			71	7.1			71	7.1
299	WEIGHT HANDLING EQUIPMENT	80	13.2			80	13.2			80	13.2			80	13.2
300	AMPHIBIOUS EQUIPMENT		73.0				73.0				73.0				73.0
301	COMBAT CONSTRUCTION SUPPORT EQUIPMENT		9.5				9.5				9.5				9.5
303	MOBILE UTILITIES SUPPORT EQUIPMENT		2.9				2.9				2.9				2.9
306	FLEET MOORINGS		7.3				7.3				7.3				7.3
307	POLLUTION CONTROL EQUIPMENT		2.7				2.7				2.7				2.7
310	FLEET HOSPITALS	1	27.7			1	27.7			1	27.7			1	27.7
---	9TH BATTALION EQUIPMENT		0.0		11.0		11.0				0.0		11.0		11.0
	SUBTOTAL, CIVIL ENGINEERING SUPP EQUIP		221.6		11.0		232.6		0.0		221.6		11.0		232.6
	SUPPLY SUPPORT EQUIPMENT														
312	FORKLIFT TRUCKS	217	9.1			217	9.1			217	9.1			217	9.1
313	OTHER MATERIALS HANDLING EQUIPMENT		3.3				3.3				3.3				3.3
314	AUTOMATED MATERIALS HANDLING SYSTEMS		12.9				12.9				12.9				12.9
316	POLLUTION CONTROL EQUIPMENT		2.3				2.3				2.3				2.3
322	SPECIAL PURPOSE SUPPLY SYSTEMS		34.9				34.9				34.9				34.9
	SUBTOTAL, SUPPLY SUPPORT EQUIPMENT		62.5		0.0		62.5		0.0		62.5		0.0		62.5

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	PERSONNEL AND COMM SUPPORT EQUIPMENT														
	TRAINING DEVICES														
325	SURFACE SONAR TRAINERS		40.5				40.5				40.5				40.5
327	SUBMARINE SONAR TRAINERS		6.9				6.9				6.9				6.9
328	SURFACE COMBAT SYSTEM TRAINERS		23.7				23.7				23.7				23.7
329	SUBMARINE COMBAT SYSTEM TRAINERS		11.9				11.9				11.9				11.9
331	SHIP SYSTEM TRAINERS		15.3				15.3				15.3				15.3
342	TRAINING SUPPORT EQUIP		2.4				2.4				2.4				2.4
343	TRAINING DEVICE MODIFICATIONS		6.7				6.7				6.7				6.7
	COMMAND SUPPORT EQUIPMENT														
346	MEDICAL SUPPORT EQUIPMENT		17.2				17.2				17.2				17.2
347	INTELLIGENCE SUPPORT EQUIPMENT		56.9		-3.9		53.0		-3.2		53.7		-3.9		53.0
348	ITEMS UNDER 900K		1.2				1.2				1.2				1.2
351	OCEANOGRAPHIC SUPPORT EQUIPMENT		0.0		14.0		14.0				0.0		14.0		14.0
352	PHYSICAL SECURITY EQUIPMENT		17.2				17.2				17.2				17.2
353	COMPUTER ACQUISITION PROGRAM		176.5				176.5				176.5				176.5
356	PRODUCTIVITY INVESTMENT FUND (PIF)		3.4				3.4				3.4				3.4
	SUBTOTAL, PERSONNEL & COMM SUPP EQUIP		379.8		10.1		389.9		-3.2		376.6		10.1		389.9
358	SPARES AND REPAIR PARTS		279.8		0.0		279.8		-10.0		269.8		0.0		279.8
	NONCENTRALLY MANAGED ITEMS		0.0				0.0		170.8		170.8		125.3		125.3
	UNDISTRIBUTED REDUCTION		---		-1025.6		-1025.6				---		-495.0		-495.0

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	PRIOR YEAR INFLATION SAVINGS		---		-168.0		-168.0		-168.0		-168.0		-168.0		-168.0
	INFLATION REESTIMATE FOR FY 86		---		-6.0		-6.0		-6.0		-6.0		-6.0		-6.0
	PRIOR YEAR PROGRAM SAVINGS		---		-53.0		-53.0		-53.0		-53.0		-53.0		-53.0
	FY 87 AND SUBSEQUENT YEARS INFLATION		---				---		-390.3		-390.3				---
	ROUNDING ADJUSTMENT		.1				.1				.1				---
	TOTAL, NAVY OTHER PROCUREMENT		6601.2		-1321.8		5279.4		-609.7		5991.5		-560.3		6040.9

OTHER PROCUREMENT, NAVY

The President's budget request contained $6,601.2 million for Navy other procurement.

The Senate bill contained an authorization of $5,279.4 million and authorized the transfer of $221 million.

The House amendment contained an authorization of $6,591.8 million and authorized the transfer of $221 million.

The conferees recommend authorizations totaling $6,040.8 million and transfers of $221 million.

Sealift support equipment

The budget request contained $59 million for sealift support equipment.

The Senate bill would authorize $71 million, an increase of $12 million for seasheds.

The House amendment would authorize $74 million, an increase of $12 million for seasheds and $3 million for the modular causeway.

The House recedes.

AN/BLD-1 microwave intercept receiver

The House amendment would authorize $11.8 million for the AN/BLD-1 microwave intercept receiver for installation on operational Los Angeles class submarines.

The budget request did not seek funds in the Navy other procurement account for the AN/BLD-1, and the Senate bill contained no authorization.

The Senate recedes.

NAVSTAR GPS receivers

The budget request contained $24.8 million for 62 NAVSTAR Global Positioning System (GPS) receivers.

The Senate bill would authorize $9.8 million for 17 receivers. The House amendment would authorize the quantity and amount requested.

The conferees recommend authorization of $20.8 million for 62 NAVSTAR GPS receivers.

The Senate recedes with an amendment.

Low cost sonobuoy

The budget request contained $11.1 million for procurement of 100,000 low cost sonobuoys in fiscal year 1986. The House amendment would authorize $46.1 million for procurement of 250,000 low cost sonobuoys. The Senate bill would authorize the amounts requested.

The conferees recommended authorization of $46.1 million for procurement of 250,000 low cost sonobuoys in fiscal year 1986.

The Senate recedes.

Mobile van airborne mine countermeasures (AMCM) support unit

The budget request did not include Mobile Van Airborne Mine Countermeasures (AMCM) Support Unit procurement in fiscal year 1986. The House amendment would authorize $4.3 million to support follow-on procurement in fiscal year 1987. The Senate bill contained no similar provision.

The equipment would be used to support AMCM operations operating from ships of opportunity.

The conferees recommend authorization of $4.3 million for Mobile Van AMCM Support Unit procurement in fiscal year 1986.

The Senate recedes.

Civil engineering support equipment

The budget request contained $221.6 million for civil engineering support equipment and contained no authorization for the 9th CE battalion in fiscal year 1986. The House amendment would authorize $221.6 million for civil engineering support equipment and no authorization for the 9th CE battalion. The Senate bill would authorize $232.6 million for civil engineering support equipment including $11.0 million to equip the 9th CE battalion.

The conferees recommend authorization of $232.6 million for civil engineering support equipment including $11.0 million for the 9th CE battalion.

The House recedes.

Oceanographic support equipment

The budget request did not include oceanographic support equipment in fiscal year 1986 nor did the House amendment. The Senate bill would authorize $14.0 million for use as described in the accompanying report (S. Report 99-41).

The conferees recommend authorization of $14.0 million for procurement of oceanographic support equipment in fiscal year 1986.

The House recedes.

Non-centrally managed items

The House amendment would authorize $170.8 million in the Other Procurement, Navy account for non-centrally managed items valued in excess of $3,000 for which the budget request sought funds in the Operation and Maintenance, Navy account. The House report on the authorization bill notes that such items are more properly considered investment items rather than expense items.

The Senate bill contained no similar authorization.

The conferees recommend authorization of $125.3 million for non-centrally managed items valued in excess of $5,000 in the Other Procurement, Navy account. As discussed in the Operation and Maintenance section, non-centrally managed items with a cost of $3,000-$5,000 are authorized in Operation and Maintenance.

The Senate recedes with an amendment.

Other procurement, Navy undistributed reductions

The Senate bill included $1,025.6 million in undistributed reductions in the Other Procurement, Navy account.

The House amendment included reductions by budget activities totaling $190 million, which included $30 million for ship support equipment; $80 million for communications and electronics equipment; $70 million for ordnance support equipment; and $10 million for spares and repair parts.

The conferees agreed to an undistributed reduction of $495 million.

The House recedes with an amendment.

PROCUREMENT, MARINE CORPS

(DOLLARS IN MILLIONS)

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST QTY	FISCAL YEAR 1986 REQUEST AMOUNT	S. 1160 AS PASSED CHANGE FROM REQUEST QTY	S. 1160 AS PASSED CHANGE FROM REQUEST AMOUNT	S. 1160 AS PASSED RECOMMENDATION QTY	S. 1160 AS PASSED RECOMMENDATION AMOUNT	H.R. 1872 AS PASSED CHANGE FROM REQUEST QTY	H.R. 1872 AS PASSED CHANGE FROM REQUEST AMOUNT	H.R. 1872 AS PASSED RECOMMENDATION QTY	H.R. 1872 AS PASSED RECOMMENDATION AMOUNT	CONFERENCE CHANGE FROM REQUEST QTY	CONFERENCE CHANGE FROM REQUEST AMOUNT	CONFERENCE RECOMMENDATION QTY	CONFERENCE RECOMMENDATION AMOUNT
	AMMUNITION														
1	LINEAR CHARGES (ALL TYPES)		3.2				3.2				3.2				3.2
2	SMALL ARMS AMMUNITION		9.6				9.6				9.6				9.6
3	MACHINE GUN AMMO (ALL TYPES)		34.9				34.9				34.9				34.9
4	MORTAR AMMUNITION (ALL TYPES)		33.3				33.3				33.3				33.3
5	GRENADES (ALL TYPES)		2.2				2.2				2.2				2.2
6	ROCKETS (ALL TYPES)		57.2				57.2				57.2				57.2
7	TRAINING AMMUNITION		29.0				29.0				29.0				29.0
8	155MM AMMUNITION		214.6				214.6	124261	50.0	124261	264.6		25.0		239.6
10	COPPERHEAD,155MM PROJ		52.1				52.1				52.1				52.1
11	8 INCH AMMUNITION		11.2				11.2				11.2				11.2
12	FUZES (ALL TYPES)		31.3				31.3				31.3				31.3
13	AMMO MODERNIZATION		5.7				5.7				5.7				5.7
	OTHER SUPPORT														
14	ITEMS LESS THAN $900,000		4.5				4.5				4.5				4.5
	SUBTOTAL, AMMUNITION		488.9		0.0		488.9		50.0		538.9		25.0		513.9
	WEAPONS AND TRACKED COMBAT VEHICLES														
	TRACKED COMBAT VEHICLES														
21	MODIFICATION KITS		1.1				1.1				1.1				1.1
22	M60 MINE PLOW	80	4.4			80	4.4			80	4.4			80	4.4
23	RECOVERY VEHICLE	5	4.5			5	4.5			5	4.5			5	4.5
24	ARMORED VEHICLE LAUNCHED BRIDGE	16	8.6			16	8.6	8	4.3	24	12.9			16	8.6
25	ITEMS LESS THAN $900,000		1.5				1.5				1.5				1.5

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	ARTILLERY AND OTHER WEAPONS														
26	BATTERY COMPUTER SYSTEM AN/GYK-29	166	32.3			166	32.3			166	32.3			166	32.3
27	M198 HOWITZER, MEDIUM, TOWED 155MM	35	21.0	-35	-21.0	0	0.0	119	56.0	154	77.0		7.0		28.0
30	ITEMS LESS THAN $900,000		1.9				1.9				1.9				1.9
	WEAPONS														
32	PERSONAL DEFENSE WEAPON (9MM)	10000	3.0	-10000	-3.0	0	-0.0			10000	3.0			10000	3.0
33	MACHINE GUN, LIGHT, SQUAD, AUTO.(SAW)	1000	3.3			1000	3.3			1000	3.3			1000	3.3
34	M16A2 RIFLE 5.56MM	28186	14.1			28186	14.1			28186	14.1			28186	14.1
35	MK-19 MACHINE GUN, 40MM	150	1.0			150	1.0			150	1.0			150	1.0
36	EOD EQUIPMENT		.7				.7				.7				.7
38	83MM LAUNCHER ASSAULT ROCKET(SMAW)	535	4.7			535	4.7			535	4.7			535	4.7
	SUBTOTAL, WEAPONS AND COMBAT VEHICLES		102.1		-24.0		78.1		60.3		162.4		7.0		109.1
	GUIDED MISSILES AND EQUIPMENT														
	GUIDED MISSILES														
39	HAWK	550	140.0			550	140.0			550	140.0			550	140.0
40	HAWK MOD		39.1				39.1				39.1				39.1
41	STINGER	800	59.4			800	59.4			800	59.4			800	59.4
42	TOW	4782	44.5			4782	44.5			4782	44.5			4782	44.5
	OTHER SUPPORT														
44	MODIFICATION KITS		.7				.7				.7				.7
	SUBTOTAL, GUIDED MISSILES AND EQUIPMENT		283.7		0.0		283.7		0.0		283.7		0.0		283.7
	COMMUNICATIONS AND ELECTRONICS														
45	MANPACK RADIOS AND EQUIPMENT		12.7				12.7				12.7				12.7
46	VEHICLE MTD RADIOS AND EQUIP		10.6				10.6				10.6				10.6

	TELEPHONE AND TELETYPE EQUIPMENT										
48	UNIT LEVEL CIRCUIT SWITCH(ULCS)		18.6				18.6				18.6
49	ULCS LIFE CYCLE SUPPORT		17.1				17.1				17.1
50	AN/TGC-() TACTICAL COMM CENTER		4.0				4.0				4.0
	REPAIR AND TEST EQUIPMENT										
55	AN/USM-323 ELEC GENERATOR SIGNAL	456	5.6			456	5.6			456	5.6
56	SHOP SETS ELECTRONIC	80	5.3			80	5.3			80	5.3
57	AUTOMATIC TEST EQUIPMENT SYSTEM	45	5.2			45	5.2			45	5.2
60	ELECTRONIC TEST EQUIPMENT		1.0				1.0				1.0
	OTHER COMM/ELEC EQUIPMENT										
61	PP-7333 POWER SUPPLY	1012	3.8			1012	3.8			1012	
63	AN/GXC-7A FACSIMILE SET	359	6.7			359	6.7			359	6.7
64	ANDVT/TACTERM	34	1.5			34	1.5			34	1.5
	OTHER SUPPORT (TEL)										
66	TEST CALIBRATION AND MAINT SUPPORT		1.0				1.0				1.0
68	MODIFICATION KITS		3.6				3.6				3.6
69	ITEMS LESS THAN $900,000		.9				.9				.9
	COMMAND AND CONTROL SYSTEMS (NON-TEL)										
70	POSITION LOCATION REPORTING SYS(PLRS)	2	59.1			2	59.1			2	59.1
72	TACTICAL AIR OPS MODULE (TAOM)	4	86.3		-23.0	4	63.3	-2	-11.0	2	75.3
	RADAR AND EQUIPMENT (NON-TEL)										
75	AN/TPS-59 DECOY	5	9.1			5	9.1			5	9.1
76	AN/PPN-19 RADAR TRANSPONDER BEACON	272	13.2			272	13.2			272	13.2

	TELEPHONE AND TELETYPE EQUIPMENT							
48	UNIT LEVEL CIRCUIT SWITCH(ULCS)							18.6
49	ULCS LIFE CYCLE SUPPORT							17.1
50	AN/TGC-() TACTICAL COMM CENTER							4.0
	REPAIR AND TEST EQUIPMENT							
55	AN/USM-323 ELEC GENERATOR SIGNAL						456	5.6
56	SHOP SETS ELECTRONIC						80	5.3
57	AUTOMATIC TEST EQUIPMENT SYSTEM						45	5.2
60	ELECTRONIC TEST EQUIPMENT							1.0
	OTHER COMM/ELEC EQUIPMENT							
61	PP-7333 POWER SUPPLY						1012	3.8
63	AN/GXC-7A FACSIMILE SET						359	6.7
64	ANDVT/TACTERM						34	1.5
	OTHER SUPPORT (TEL)							
66	TEST CALIBRATION AND MAINT SUPPORT							1.0
68	MODIFICATION KITS							3.6
69	ITEMS LESS THAN $900,000							.9
	COMMAND AND CONTROL SYSTEMS (NON-TEL)							
70	POSITION LOCATION REPORTING SYS(PLRS)						2	59.1
72	TACTICAL AIR OPS MODULE (TAOM)				-2	-11.0	2	75.3
	RADAR AND EQUIPMENT (NON-TEL)							
75	AN/TPS-59 DECOY						5	9.1
76	AN/PPN-19 RADAR TRANSPONDER BEACON						272	13.2

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	INTELL/COMM EQUIPMENT (NON-TEL)														
60	REMOTE SENSOR EQUIPMENT		.7				.7				.7				.7
61	AN/TMQ-31 METEROLOGICAL DATA SYSTEM	9	13.3			9	13.3			9	13.3			9	13.3
	REPAIR AND TEST EQUIPMENT (NON-TEL)														
68	ELECTRONIC TEST EQUIPMENT		1.0				1.0				1.0				1.0
	OTHER COMM/ELEC EQUIPMENT (NON-TEL)														
93	AN/TAS-4 NIGHT VISION SIGHT (TOW)		10.5				10.5				10.5				10.5
94	PRODUCTIVITY INVESTMENT		.5				.5				.5				.5
95	AUTOMATED DATA PROCESSING EQUIPMENT		15.0				15.0				15.0				15.0
	OTHER SUPPORT (NON-TEL)														
96	TEST CALIBRATION AND MAINT SUPPORT		1.6				1.6				1.6				1.6
98	MODIFICATION KITS		8.4				8.4				8.4				8.4
99	ITEMS LESS THAN $900,000		.4				.4				.4				.4
	SUBTOTAL, COMM AND ELECTRONICS EQUIP		316.6		-23.0		293.6		-11.0		305.6		-11.0		305.6
	SUPPORT VEHICLES														
	ADMINISTRATIVE VEHICLES														
100	COMMERCIAL PASSENGER VEHICLES	203	2.7			203	2.7			203	2.7			203	2.7
101	COMMERCIAL CARGO VEHICLES		21.1				21.1				21.1				21.1
	TACTICAL VEHICLES														
102	HIGH MOB MULTI-WHL VEH (HMMWV) (MYP)	4832	121.7			4832	121.7			4832	121.7			4832	121.7
103	AIR/CRASH FIRE & RESCUE VEH	6	1.0			6	1.0			6	1.0			6	1.0
105	TRUCKS,5-TON (ALL TYPES)	396	39.7			396	39.7			396	39.7			396	39.7
106	5 TON RETROFIT	691	17.9			691	17.9			691	17.9			691	17.9
108	LOGISTICAL VEHICLE SYSTEM(LVS)	719	71.4			719	71.4			719	71.4			719	71.4

109 TRAILERS (ALL TYPES)	772	10.5		772	10.5		772	10.5		772	10.5
110 LUBRICATING AND SERVICING UNIT POWER	70	2.0		70	2.0		70	2.0		70	2.0
OTHER SUPPORT											
112 MODIFICATION KITS		4.3			4.3			4.3			4.3
113 ITEMS LESS THAN $900,000		1.4			1.4			1.4			1.4
SUBTOTAL, SUPPORT VEHICLES		293.8	0.0		293.8	0.0		293.8	0.0		293.8
ENGINEER AND OTHER EQUIPMENT											
116 ENVIRONMENTAL CONTROL EQUIP		2.7			2.7			2.7			2.7
121 MOTORIZED ROAD GRADER	100	8.4		100	8.4		100	8.4		100	8.4
122 TRACTORS (ALL TYPES)	202	20.6		202	20.6		202	20.6		202	20.6
123 RUNWAY SWEEPER, VACUUM	18	2.3		18	2.3		18	2.3		18	2.3
124 SHOP EQUIP, GEN PUR, REPAIR, SEMI-TRL	8	1.7		8	1.7		8	1.7		8	1.7
125 CONTAINER HANDLER,RT 50,000 LB.	27	7.7		27	7.7		27	7.7		27	7.7
126 CH-53E HELICOPTER SLING	310	1.0		310	1.0		310	1.0		310	1.0
127 FORKLIFTS (ALL TYPES)	225	11.1		225	11.1		225	11.1		225	11.1
129 BATH SHOWER UNIT EXPEDITIONARY FIELD	100	2.3		100	2.3		100	2.3		100	2.3
130 REFRIGERATION UNIT, F/RIGID BOX	264	1.2		264	1.2		264	1.2		264	1.2
131 REFRIGERATOR, RIGID BOX	218	1.4		218	1.4		218	1.4		218	1.4
133 WATER PURIFICATION UNIT - REV OSMOSIS	125	20.6		125	20.6		125	20.6		125	20.6
137 FUEL, WATER, PUMP AND STORAGE MODULE		4.2			4.2			4.2			4.2
138 FUEL SYS AMPHB ASSAULT 60,000 GAL	5	5.9		5	5.9		5	5.9		5	5.9
139 HELICOPTER EXPEDIENT REFUELING SYSTEM	6	.7		6	.7		6	.7		6	.7
142 BOAT, BRIDGE ERECTION	21	5.2		21	5.2		21	5.2		21	5.2
143 MEDIUM GIRDER BRIDGE	17	11.1		17	11.1		17	11.1		17	11.1
144 POWER EQUIPMENT ASSORTED		8.5			8.5			8.5			8.5
145 ELECTRICAL POWER DISTRIBUTION SYSTEM	17	9.0		17	9.0		17	9.0		17	9.0
MATERIALS HANDLING EQUIPMENT											
146 COMMAND SUPPORT EQUIPMENT		.8			.8			.8			.8
148 GARRISON MOBILE ENGINEER EQUIP		6.3			6.3			6.3			6.3

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
149	TELEPHONE SYSTEM		4.3				4.3				4.3				4.3
152	MATERIEL HANDLING EQUIPMENT		1.5				1.5				1.5				1.5
	GENERAL PROPERTY														
153	TRN DEVICES (AUDIO VISUAL)		1.6				1.6				1.6				1.6
154	TRN DEVICES (SIMULATORS)		10.4				10.4				10.4				10.4
156	SHELTER FAMILY	870	17.6			870	17.6			870	17.6			870	17.6
157	CONTAINER FAMILY	4900	7.0			4900	7.0			4900	7.0			4900	7.0
158	CHEMICAL ALARM SYSTEM	634	1.9			634	1.9			634	1.9			634	1.9
159	DECONTAMINATING APPARATUS	85	1.2			85	1.2			85	1.2			85	1.2
160	SANITATION SET, FIELD KITCHEN	75	1.2			75	1.2			75	1.2			75	1.2
	OTHER SUPPORT														
162	MODIFICATION KITS		2.8				2.8				2.8				2.8
163	ITEMS LESS THAN 900,000		3.5				3.5				3.5				3.5
	SUBTOTAL, ENGINEER AND OTHER EQUIPMENT		185.5		0.0		185.5		0.0		185.5		0.0		185.5
164	SPARES AND REPAIR PARTS		56.1		0.0		56.1				56.1				56.1
	NONCENTRALLY MANAGED ITEMS		0.0				0.0		12.6		12.6		9.7		9.7
	UNDISTRIBUTED REDUCTION		---		-35.0		-35.0				---				---
	INFLATION REESTIMATE FOR FY 86		---		-2.0		-2.0		-2.0		-2.0		-2.0		-2.0
	PRIOR YEAR PROGRAM SAVINGS		---		-28.0		-28.0		-28.0		-28.0		-28.0		-28.0
	FY 87 AND SUBSEQUENT YEARS INFLATION		---				---		-111.3		-111.3				---
	TOTAL, MARINE CORPS PROCUREMENT		1726.8		-112.0		1614.8		-29.4		1697.4		.7		1727.4

Ammunition

The budget request contained $488.9 million for ammunition, including $214.6 million for 155mm ammunition, and $55.2 million for procurement of the M483 155mm HE ICM DP round in fiscal year 1986. The House amendment would authorize $538.9 million for ammunition, including $264.6 million for 155mm ammunition, and $105.2 million for procurement of M483 rounds. The Senate bill would authorize the requested amount.

The conferees recommend authorization of $513.9 million for ammunition, including $239.6 million for 155mm ammunition, and $80.2 million for procurement of the M483 155mm HE ICM DP round in fiscal year 1986.

Armored vehicle launched bridge (AVLB)

The budget request contained $8.6 million for procurement of 16 AVLBs in fiscal year 1986. The House amendment would authorize $12.9 million for 24 AVLBs. The Senate bill would authorize the amounts requested.

The conferees recommend authorization of $8.6 million for procurement of 16 AVLBs in fiscal year 1986.

The House recedes.

M198 howitzer

The budget request contained $21.0 million for procurement of 35 M198 howitzers in fiscal year 1986. The House amendment would authorize $77.0 million for procurement of 154 M198 howitzers. The Senate bill contained no authorization for M198 howitzers.

The conferees recommend authorization of $28.0 million for procurement of 50 M198 Howitzers in fiscal year 1986.

Communications and electronics

The budget request contained $18.6 million for procurement of the Unit Level Circuit Switch (ULCS) in fiscal year 1986. The ULCS is a family of digital switching equipments that provide automatic secure telephone switching capability to the field. The main elements of the ULCS are the AN/TTC-42 large switch and the SB-3865 small switch. All three services intend to procure the ULCS.

Recently, the ULCS underwent a limited operational test conducted by the Marine Corps with Air Force participation. The independent test agencies of both services recommended that the AN/TTC-42 not enter production because of deficiencies discovered during the limited operational test and previous operational tests.

The Marine Corps, after subsequent negotiations with the contractor, overcame the objections of the test community and now recommends the AN/TTC-42 for production. This decision was reached after the contractor agreed to absorb some financial risks until first article test is successfully completed in fiscal year 1988.

The conferees believe that the problems with the AN/TTC-42 discovered during operational test must be resolved prior to full scale production. Therefore, the conferees recommend authorization of the requested amount but direct the department to expend funds only for those items required for first article testing until such time that the Committees on Armed Services of the Senate and the House of Representatives review the results of the first article test.

This would allow the obligation of funds but not permit their use for production quantities of the AN/TTC–42 except for first article test equipments.

The above direction does not apply to the SB–3865 small switch which successfully completed operational testing.

The above restrictions also apply to Air Force procurement of the ULCS.

Non-centrally managed items

The House amendment would authorize $12.6 million in the procurement Marine Corps account for non-centrally managed items valued in excess of $3,000 for which the budget request sought funds in the Operation and Maintenance, Marine Corps account. The House report on the authorization bill notes that such items are more properly considered investment items rather than expense items.

The Senate bill contained no similar authorization.

The conferees recommend authorization of $9.7 million for non-centrally managed items valued in excess of $5,000 in the other procurement, Marine Corps, account. As discussed in the Operation and Maintenance section, non-centrally managed items with a cost of $3,000–$5,000 are authorized in Operation and Maintenance.

The Senate recedes with an amendment.

AIRCRAFT PROCUREMENT, AIR FORCE

(DOLLARS IN MILLIONS)

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	COMBAT AIRCRAFT														
	STRATEGIC OFFENSIVE														
1	ACM INTEGRATION		122.8		-122.8		0.0				122.8		-22.8		100.0
2	B-1B (MYP)	48	7632.7			48	7632.7			48	7632.7			48	7632.7
	LESS: ADVANCE PROCUREMENT (PY)		-2170.9				-2170.9				-2170.9				-2170.9
	NET		5461.8				5461.8				5461.8				5461.8
	TACTICAL FORCES														
4	F-15 C/D/E	48	2079.3		-30.0	48	2049.3	-6	-271.6	42	1807.7		-71.9	48	2007.4
	LESS: ADVANCE PROCUREMENT (PY)		-176.4				-176.4				-176.4				-176.4
	NET		1902.9		-30.0		1872.9		-271.6		1631.3				1831.0
5	ADVANCE PROCUREMENT (CY)		236.0				236.0		-24.0		212.0		-26.0		210.0
6	F-16 C/D (MYP)	180	3277.9		-52.0	180	3225.9	-30	-500.0	150	2777.9		-210.9	180	3067.0
	LESS: ADVANCE PROCUREMENT (PY)		-441.2				-441.2				-441.2				-441.2
	NET		2836.7		-52.0		2784.7		-500.0		2336.7				2625.8
7	ADVANCE PROCUREMENT (CY)		553.1				553.1		-92.1		461.0				553.1
	OTHER COMBAT AIRCRAFT														
8	KC-10A (ATCA) (MYP)	12	763.0			12	763.0			12	763.0			12	763.0
	LESS: ADVANCE PROCUREMENT (PY)		-524.2				-524.2				-524.2				-524.2
	NET		238.8				238.8				238.8				238.8
9	ADVANCE PROCUREMENT (CY)		208.2				208.2				208.2				208.2

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
10	MC-130H	1	83.9			1	83.9	-1	-73.6	0	10.3		-18.6	1	65.3
	LESS: ADVANCE PROCUREMENT (PY)		-10.3				-10.3				-10.3				-10.3
	NET		73.6				73.6		-73.6		0.0				55.0
11	ADVANCE PROCUREMENT (CY)		5.9				5.9		-5.9		0.0				5.9
	SUBTOTAL, COMBAT AIRCRAFT		11639.8		-204.8		11435.0		-967.2		10672.6		-350.2		11289.6
	AIRLIFT/TANKER AIRCRAFT														
	STRATEGIC AIRLIFT														
14	C-5B	16	2193.6		-102.0	16	2091.6		-102.0	16	2091.6		-102.0	16	2091.6
	LESS: ADVANCE PROCUREMENT (PY)		-251.5				-251.5				-251.5				-251.5
	NET		1942.1		-102.0		1840.1		-102.0		1840.1				1840.1
15	ADVANCE PROCUREMENT (CY)		326.0				326.0				326.0				326.0
	TACTICAL AIRLIFT														
	C-130H (HERCULES)		0.0				0.0	8	150.0	8	150.0				0.0
	OTHER AIRLIFT														
	C-12J		0.0				0.0	6	18.0	6	18.0				0.0
20	C-20A	8	168.8			8	168.8	-4	-84.4	4	84.4			8	168.8
	SUBTOTAL, AIRLIFT/TANKER AIRCRAFT		2436.9		-102.0		2334.9		-18.4		2418.5		-102.0		2334.9
	TRAINER AIRCRAFT														
	UPT TRAINERS														
21	T-46A (NGT)	33	165.1			33	165.1			33	165.1			33	165.1
	LESS: ADVANCE PROCUREMENT (PY)		-22.3				-22.3				-22.3				-22.3
	NET		142.8				142.8				142.8				142.8

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
22	ADVANCE PROCUREMENT (CY)		63.3				63.3				63.3				63.3
	SUBTOTAL, TRAINER AIRCRAFT		206.1		0.0		206.1		0.0		206.1		0.0		206.1
	OTHER AIRCRAFT														
	HELICOPTERS														
24	HW-60	3	100.0	-3	-94.0	0	6.0			3	100.0			3	100.0
	LESS: ADVANCE PROCUREMENT (PY)		-6.0				-6.0				-6.0				-6.0
	NET		94.0		-94.0		0.0				94.0				94.0
25	ADVANCE PROCUREMENT (CY)		22.0		-10.0		12.0				22.0		-10.0		12.0
	OTHER AIRCRAFT														
28	AURORA		80.1		-80.1		0.0		-80.1		0.0		-80.1		0.0
29	TR-1/U-2	8	352.4	-2	-64.1	6	288.3	-3	-64.1	5	288.3	-2	-41.7	6	310.7
	LESS: ADVANCE PROCUREMENT (PY)		-8.5				-8.5				-8.5				-8.5
	NET		343.9		-64.1		279.8		-64.1		279.8				302.2
	ADVANCE PROCUREMENT (CY)		0.0				0.0		10.7		10.7		9.0		9.0
	SUBTOTAL, OTHER AIRCRAFT		540.0		-248.2		291.8		-133.5		406.5		-122.8		417.2
	MODIFICATION OF IN-SERVICE AIRCRAFT														
	STRATEGIC AIRCRAFT														
31	B-52		463.6		-100.0		363.6				463.6		-35.0		428.6
32	FB-111		13.2				13.2				13.2				13.2
33	B-1B		5.1				5.1				5.1				5.1
	TACTICAL AIRCRAFT														
34	A-7		3.4				3.4				3.4				3.4

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
35	A-10		87.8				87.8				87.8				87.8
36	F/RF-4		174.2				174.2				174.2				174.2
37	F-5		25.7				25.7		-25.0		.7				25.7
38	F-15		141.8				141.8				141.8				141.8
39	F-16		73.7				73.7				73.7				73.7
40	F-111		294.5				294.5				294.5				294.5
42	TR-1A		11.7				11.7				11.7				11.7
	AIRLIFT AIRCRAFT														
44	C-5		9.8				9.8				9.8				9.8
45	C-141		2.1				2.1				2.1				2.1
	TRAINER AIRCRAFT														
46	T-38		40.1				40.1				40.1				40.1
	OTHER AIRCRAFT														
47	KC-10A (ATCA)		4.3				4.3				4.3				4.3
48	C-12		5.0				5.0				5.0				5.0
50	C-130		201.0				201.0		10.3		211.3		10.3		211.3
	MC-130		(13.4)				(13.4)		(10.3)		(23.7)				(23.7)
52	C-135		868.1				868.1				868.1				868.1
53	E-3		33.4				33.4				33.4				33.4
54	E-4		20.4				20.4				20.4				20.4
55	HH-53 AIRCRAFT		26.4				26.4		50.0		76.4		50.0		76.4
56	OTHER AIRCRAFT		133.2				133.2				133.2				133.2
	OTHER MODIFICATIONS														
57	CLASSIFIED PROJECTS		114.4				114.4		-4.0		110.4		-2.0		112.4
	CIVIL RESERVE AIRLIFT FLEET (CRAF)														
59	CIVIL RESERVE AIRLIFT FLEET (CRAF)		164.9				164.9				164.9				164.9

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	GROUND PROXIMITY WARNING SYSTEM		0.0				0.0		(10.0)		(10.0)		(10.0)		(10.0)
	UNDISTRIBUTED REDUCTION		---		-240.0		-240.0		-106.3		-106.3		-150.0		-150.0
	SUBTOTAL, MOD OF IN-SERVICE AIRCRAFT		2917.8		-340.0		2577.8		-75.0		2842.8		-126.7		2791.1
	AIRCRAFT SPARES AND REPAIR PARTS														
60	SPARES AND REPAIR PARTS		4934.6				4934.6		-251.4		4683.2		-55.0		4879.6
	INITIAL SPARES		(1148.5)				(1148.5)		(-80.9)		(1067.6)				(1093.7)
	F-15		(85.5)				(85.5)		(-10.7)		(74.8)				(85.5)
	F-16		(303.6)				(303.6)		(-50.6)		(253.0)				(250.2)
	C-20		(16.8)				(16.8)		(-8.4)		(8.4)				(16.8)
	TR-1/U-2		(19.7)				(19.7)		(-7.4)		(12.3)				(19.1)
	MC-130		(3.8)				(3.8)		(-3.8)		(0.0)				(3.0)
	REPLENISHMENT SPARES		(3786.1)				(3786.1)		(-170.5)		(3615.6)				(3786.1)
	F-15		(38.5)				(38.5)		(-38.5)		(0.0)				(38.5)
	F-16		(132.0)				(132.0)		(-132.0)		(0.0)				(132.0)
	CLASSIFIED PROGRAM		(---)				(---)				(---)				(-0.2)
	UNDISTRIBUTED REDUCTION		---		-310.0		-310.0				---		-250.0		-250.0
	SUBTOTAL, A/C SPARES & REPAIR PARTS		4934.6		-310.0		4624.6		-251.4		4683.2		-305.0		4629.6
	AIRCRAFT SUPPORT EQUIPMENT AND FACILITIES														
61	COMMON GROUND EQUIPMENT		631.0				631.0				631.0				631.0
62	INDUSTRIAL RESPONSIVENESS		89.2		-15.0		74.2				89.2		-15.0		74.2
63	WAR CONSUMABLES		86.4				86.4				86.4				86.4
64	OTHER PRODUCTION CHARGES		2683.7		-242.4		2441.3		-676.3		2007.4		-270.5		2413.2
	CLASSIFIED PROGRAMS		(1630.0)		(-142.4)		(1487.6)		(-591.4)		(1038.6)				(1478.5)
	PLSS		(86.0)				(86.0)		(-43.0)		(43.0)				(43.0)
	LANTIRN		(420.7)				(420.7)		(-41.9)		(378.8)				(420.7)
	ALQ-131 ECM PODS		(124.6)		(-100.0)		(24.6)				(124.6)				(48.6)
	SUBTOTAL, SUPPORT EQUIP AND FACILITIES		3490.3		-257.4		3232.9		-676.3		2814.0		-285.5		3204.8

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	FY 87 AND SUBSEQUENT YEARS INFLATION		---				---		-1517.3		-1517.3				---
	INFLATION REESTIMATE FOR FY 86		---		-32.0		-32.0		-32.0		-32.0		-32.0		-32.0
	PRIOR YEAR PROGRAM SAVINGS		---		-406.0		-406.0		-406.0		-406.0		-406.0		-406.0
	TOTAL, AIR FORCE AIRCRAFT		26165.5		-1900.4		24265.1		-4077.1		22088.4		-1730.2		24435.3

Bomber force study

The conferees note that the Committees on Armed Services of both the Senate and the House of Representatives included language in their reports on this legislation directing the Secretary of Defense to conduct a study and analysis of the future strategic bomber force. The conferees confirm the requirements set forth in both reports (S. Rept. 99-41 and H. Rept. 99-81) with respect to the bomber force study and direct the Secretary of Defense to submit his analysis and report to the Committee on Armed Services of the Senate and House of Representatives not later than February 1, 1986.

Advance cruise missile integration (ACM)

The budget request contained $122.8 million for ACM integration in fiscal year 1986. The House amendment would authorize $122.8 million for this purpose. The Senate bill contained no authorization for ACM integration in fiscal year 1986.

The conferees recommend $100.0 million for ACM integration in fiscal year 1986.

F-15 fighter aircraft (Eagle)

The budget request contained $1,902.9 million for procurement of 48 aircraft in fiscal year 1986, and $236.0 million for advance procurement of 48 aircraft in fiscal year 1987. The House amendment would authorize $1,631.3 million for procurement of 42 aircraft in fiscal year 1986, and $212.0 million for advance procurement of 48 aircraft for fiscal year 1987. The Senate bill would authorize $1,872.9 million for procurement of 48 aircraft in fiscal year 1986, and $236.0 million for advance procurement of 48 aircraft for fiscal year 1987.

The conferees recommend authorization of $1,831.0 million for procurement of 48 aircraft in fiscal year 1986, and $210.0 million for advance procurement of 48 aircraft for fiscal year 1987.

The House recedes with an amendment.

F-16 fighter aircraft (Falcon)

The budget request contained $2,836.7 million for procurement of 180 aircraft in fiscal year 1986, and $553.1 million for advance procurement of 180 aircraft in fiscal year 1987. The House amendment would authorize $2,336.7 million for procurement of 150 aircraft in fiscal year 1986, and $461.0 million for advance procurement of 150 aircraft for fiscal year 1987. The Senate bill would authorize $2,784.7 million for procurement of 180 aircraft in fiscal year 1986, and $553.1 million for advance procurement of 180 aircraft for fiscal year 1987.

The conferees recommend authorization of $2,625.8 million for procurement of 180 aircraft in fiscal year 1986, and $553.1 million for advance procurement of 180 aircraft for fiscal year 1987.

The House recedes with an amendment.

MC-130H (combat talon)

The budget request contained $73.6 million for procurement of one aircraft in fiscal year 1986, and $5.9 million for advance procurement of two aircraft in fiscal year 1987. A total of $10.3 million in the MC-130 program was intended for the modification of a specially configured C-130 to the MC-130 configuration. The House amendment shifted the $10.3 million from the MC-130 procurement program to the Modification of Aircraft account. The House amendment also contained no authorization for the aircraft in fiscal year 1986. The Senate bill contained $73.6 million for procurement of one aircraft in fiscal year 1986 and $5.9 million for advance procurement of two aircraft in fiscal year 1987.

The conferees recommend authorization of $55.0 million for procurement of one aircraft in fiscal year 1986, and $5.9 million for advance procurement to two aircraft in fiscal year 1987.

The conferees expressed concern over the troubled history of the Combat Talon program. The conferees believe that any further increase in cost or delay in schedule would justify termination. The conferees caution the Air Force to devote the highest degree of management attention, to stabilize the program management and to improve performance and cost disipline.

C-130H airlift aircraft (Hercules)

No authorization was requested for C-130H aircraft. The House amendment would authorize $150.0 million for procurement of 8 aircraft for the Air Force Reserve. The Senate bill contained a $150.0 million authorization for procurement of 8 C-130H aircraft for the Air National Guard.

The conferees recommend authorization of $270.0 million for procurement of 14 C-130H aircraft in fiscal year 1986. The authorization is contained in the Guard and Reserve section (sec. 104) of the conference report.

C-20A airlift aircraft

The budget request contained $168.8 million for procurement of 8 aircraft in fiscal year 1986. The House amendment would authorize $84.4 million for procurement of 4 aircraft in fiscal year 1986. The Senate bill would authorize $168.8 million for procurement of 8 aircraft in fiscal year 1986.

The conferees recommend authorization of $168.8 million for procurement of 8 aircraft in fiscal year 1986.

The House recedes.

HH-60A (Night Hawk)

The budget request contained $94.0 million for procurement of three aircraft in fiscal year 1986, and $22.0 million for advance procurement of 25 aircraft in fiscal year 1987. The House amendment would authorize the requested amount. The Senate bill contained no authorization for the aircraft in fiscal year 1986, but included $12.0 million for advance procurement in fiscal year 1987.

The conferees recommend authorization of $94.0 million for procurement of three aircraft in fiscal year 1986, and $12.0 million for advance procurement in fiscal year 1987.

TR-1/U-2 standoff surveillance aircraft

The budget request contained $343.9 million for procurement of 8 aircraft in fiscal year 1986. The House amendment would authorize

$279.8 million for procurement of 5 aircraft in fiscal year 1986, and $10.7 million for advance procurement of 5 aircraft in fiscal year 1987. The Senate bill would authorize $279.8 million for 6 aircraft in fiscal year 1986.

The conferees recommend authorization of $302.2 million for procurement of 6 aircraft in fiscal year 1986, and $9.0 million for advance procurement of 4 aircraft in fiscal year 1987.

Modification of Air Force aircraft

The budget request contained $2,917.8 million for procurement for various Air Force aircraft modification for fiscal year 1986. The House amendment would authorize $2,842.1 million for Air Force aircraft modifications. The Senate bill would authorize $2,577.8 million for Air Force aircraft modifications.

The conferees recommend authorization of $2,793.1 million for Air Force aircraft modifications including the following specific authorizations:

B-52 modifications, $428.6 million;
F-5 modifications, $25.7 million;
C-130 modifications, $211.3 million; including MC-130 modifications, $23.7 million;
HH-53 modifications, $76.4 million;
Classified projects, $112.4 million;
Undistributed reduction, −$150.0 million;
Ground proximity warning system, $10.0 million.

B-52 squadrons

The budget request contained $463.6 million for procurement associated with modifications for the B-52 bomber force. The House amendment would fully support the request. The Senate, for budgetary reasons, reduced the requested amount by $100 million. The conferees agreed that the authorization for this program be reduced by $35 million to $428.6 million and direct that there be no change in funding for either cruise missile related modifications, including the common strategic rotary launcher (CSRL) or for electronic countermeasures modifications.

Special operations forces

Special operations forces (SOF) received special attention in both the House and Senate bills. The House amendment contained a provision (sec. 1202) that would express the Sense of the Congress that greater attention should be devoted to the capabilities of special operations forces. The Senate receded with amendment. The conferees agreed that although management resources in the Department of Defense to supervise development and acquisition for SOF had received necessary expansion, similar and necessary increases had not occurred in the staff elements responsible for overall SOF policy formulation. The conferees believe that this inadequacy of resources should be remedied expeditiously.

The conferees agreed that both committees would review the joint command and control of SOF as part of their consideration of departmental and Joint Chiefs of Staff reorganization. This review will include an examination of the specific SOF mission area.

The House amendment would also add funds for the modification of 10 HH-53 helicopters to the PAVE LOW configuration for special operations as well as directing the timely modification of two HH-53s out of unobligated prior-year funding balances. The Senate receded with an amendment (sec. 144) specifying that the Secretary of the Air Force must certify that for the PAVE LOW fleet the fiscal year 1987 five year defense plan provides sufficient resources to achieve and maintain the highest readiness level specified in the JCS Unit Status Report System.

The Senate bill contained a provision (sec. 943) that would prohibit the Air Force from spending funds on MC-130s or HH-53 modifications, and the Army from spending funds for CH-47 modifications, until the Secretary of Defense submits a plan for meeting the immediate airlift requirements of the Joint Special Operations Command, and a second plan for meeting the airlift requirements of JSOC and the unified commanders-in-chief by calendar year 1991. The House receded. The conferees agreed that, because severe readiness deficiencies persist in the unified and specified commands because of prior year development and procurement shortages, the Air Force should ensure stable increases in the funding for annual development, modification or procurement of special operations and combat rescue variants of the C-130, HH-53, HH-60, and CV-22 aircraft, are sufficient to meet the JSOC and unified commanders-in-chiefs' requirements within the fiscal year 1986 five year development plan.

Ground proximity warning system

The report (H. Rept. 99-81) accompanying the House amendment directed that within the amounts authorized for Air Force aircraft procurement in fiscal year 1986 and prior years, $10.0 million should be used for the procurement of second generation or better ground proximity warning system hardware and associated aircraft modifications. The Senate report (S. Rept. 99-41) contained no similar language.

The conferees agreed that $10.0 million may be used for such purposes on a discretionary basis.

EC-T-39 aircraft

The report (H. Rept. 99-81) accompanying the House amendment directed the Secretary of the Air Force, in conjunction with the Air National Guard, to test the efficacy of airborne electronic countermeasures (ECM) training using an existing T-39 aircraft and Air Force ECM equipment.

The conferees agreed to request the Air Force, with the participation of the Air National Guard, to evaluate the feasibility and cost-effectiveness of providing Air Force T-39 aircraft to the Air National Guard for ECM training purposes. This report shall be submitted to the Committees on Armed Services of the Senate and House of Representatives no later than March 1, 1986.

Undistributed reduction to Air Force aircraft modifications

The Senate bill reduced the request for aircraft modifications for Air Force aircraft procurement by $240.0 million, with report language directing that the reductions be made against airlift aircraft modifications. The House bill reduced the account by $106.3 million.

The conferees agreed on $150 million reduction, to be distributed against all modification programs and not exclusively against airlift modifications.

Air Force aircraft spares and repair parts

The budget request contained $4,934.6 million for procurement of Air Force aircraft spares and repair parts for fiscal year 1986. The House amendment would authorize $4,683.2 million for Air Force aircraft spares and repair parts. The Senate bill would authorize $4,624.6 million for Air Force aircraft spares and repair parts.

The conferees recommend authorization of $4,629.6 million for Air Force aircraft spares and repair parts including the following specific authorizations:

Initial spares, $1,093.7 million;
F-15 spares, $85.5 million;
F-16 spares, $250.2 million;
C-20 spares, $16.8 million;
TR-1/U-2 spares, $19.1 million;
MC-130 spares, $3.0 million;
Replenishment spares, $3,785.9 million;
Classified spares, $0.2 million;
Undistributed reduction, $205.0 million;

Air Force aircraft support equipment and facilities

The budget request contained $3,490.3 million for procurement of Air Force aircraft support equipment and facilities for fiscal year 1986. The House amendment would authorize $2,841.0 million for this purpose. The Senate bill would authorize $3,232.9 million for this purpose.

The conferees recommend authorization of $3,204.8 million for Air Force aircraft support equipment and facilities, including the following specific authorizations:

Common ground support equipment, $631.0 million;
Industrial responsiveness, $74.2 million;
War consumables, $86.4 million;
Other production charges, $2,413.2 million; classified programs, $1,478.5 million; PLSS, $43.0 million; LANTIRN, $420.7 million, ALQ 131 pod, $48.0 million.

MISSILE PROCUREMENT, AIR FORCE

(DOLLARS IN MILLIONS)

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	BALLISTIC MISSILES														
	STRATEGIC														
1	PEACEKEEPER (M-X)	48	3037.3	-36	-1291.0	12	1746.3	-48	-2116.3	0	921.0	-36	-1291.3	12	1746.0
	FORCE MODERNIZATION														
3	MISSILE REPLACEMENT EQUIPMENT--STRATE		86.7		-30.0		56.7		-10.0		76.7		-20.0		66.7
	SUBTOTAL, BALLISTIC MISSILES		3124.0		-1321.0		1803.0		-2126.3		997.7		-1311.3		1812.7
	OTHER MISSILES														
	STRATEGIC														
4	ADVANCED CRUISE MISSILE		[ ]				[ ]				[ ]				[ ]
	LESS: ADVANCE PROCUREMENT (PY)														
	NET		[ ]				[ ]				[ ]				[ ]
5	ADVANCE PROCUREMENT (CY)		[ ]				[ ]				[ ]				[ ]
6	AIR LAUNCH CRUISE MISSILE		34.4				34.4				34.4				34.4
	TACTICAL														
7	AIM-7F/M SPARROW	425	82.3			425	82.3			425	82.3			425	82.3
8	AIM-9L/M SIDEWINDER	800	43.3			800	43.3	702	38.0	1502	81.3	702	38.0	1502	81.3
9	AGM-130 POWERED GBU-15	97	48.5			97	48.5	-97	-32.5	0	16.0	-57	-28.5	40	20.0
10	AGM-65D MAVERICK	3500	504.0			3500	504.0	-550	-56.1	2950	445.9	-550	-58.1	2950	445.9
	LESS: ADVANCE PROCUREMENT (FY)		-15.0				-15.0				-15.0				-15.0
	NET		489.0				489.0		-58.1		430.9				430.9

13	AGM-88A HARM	1715	478.1		1715	478.1		-52.4	1715	425.7		1715	478.1
14	RAPIER		7.6			7.6		-4.0		3.6	-4.0		3.6
15	AMRAAM	90	395.9	-166.5	90	229.4	-90	-366.5	0	29.4	-216.5		179.4
	LESS: ADVANCE PROCUREMENT (PY)		-29.4			-29.4				-29.4			-29.4
	NET		366.5	-166.5		200.0		-366.5		0.0			150.0
16	ADVANCE PROCUREMENT (CY)		65.9			65.9		-65.9		0.0	-35.9		30.0
17	GRD LAUNCH CRUISE MISSILE	95	556.0		95	556.0		-10.0	95	546.0	-10.0	95	546.0
	LESS: ADVANCE PROCUREMENT (PY)		-11.9			-11.9				-11.9			-11.9
	NET		544.1			544.1		-10.0		534.1			534.1
18	ADVANCE PROCUREMENT (CY)		9.8			9.8				9.8			9.8
	TARGET DRONES												
21	TARGET DRONES		35.9			35.9				35.9			35.9
	TACTICAL DRONES												
23	INDUSTRIAL FACILITIES		12.9			12.9				12.9			12.9
24	MISSILE REPLACEMENT EQUIP--TACTICAL		14.5			14.5				14.5			14.5
	SUBTOTAL, OTHER MISSILES		2895.7	-166.5		2729.2		-551.4		2344.3	-315.0		2580.7
	MODIFICATION OF IN-SERVICE MISSILES												
25	CLASS IV		92.7			92.7				92.7			92.7
	CLASS V												
26	LGM-30F/G MINUTEMAN II/III		13.5			13.5		-5.1		8.4			13.5

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	UPDATE														
30	AGM-88A HARM		3.0				3.0				3.0				3.0
31	UPDATED ALCM		16.5				16.5				16.5				16.5
32	GRD LAUNCH CRUISE MISSILE UPDATE		8.7				8.7				8.7				8.7
	SUBTOTAL, MOD OF IN-SERVICE MISSILES		134.5		0.0		134.5		-5.1		129.4		0.0		134.5
33	SPARES AND REPAIR PARTS		539.3		-25.0		514.3		-169.9		369.4		-74.0		465.3
	INITIAL SPARES														
	MX		(143.0)						(-143.0)		(0.0)				(105.0)
	CLASSIFIED PROGRAM		[ ]						(-15.0)		(-15.0)				[ ]
	MAVERICK		(.9)						(-.2)		(.7)				(.7)
	HARM		(7.2)						(-.9)		(6.3)				(7.2)
	AMRAAM		(6.1)						(-6.1)		(0.0)				(0.0)
	MODIFICATION OF INITIAL SPARES														
	MAVERICK		(2.2)						(-.3)		(1.9)				(1.9)
	REPLENISHMENT SPARES														
	MAVERICK		(8.6)						(-1.3)		(7.3)				(7.3)
	HARM		(5.2)						(-.6)		(4.6)				(5.2)
	RAPIER		(4.1)						(-2.2)		(1.9)				(1.9)
	AMRAAM		(.3)						(-.3)		(0.0)				(0.0)
	MX		(25.6)		(-25.0)		(.6)				(25.6)				(0.0)
	OTHER SUPPORT														
	SPACE PROGRAMS														
34	SPACEBORNE EQUIP (COMSEC)		36.3				36.3				36.3				36.3
35	GLOBAL POSITIONING (MYP)	9	352.0			9	352.0			9	352.0			9	352.0
	LESS: ADVANCE PROCUREMENT (PY)		-154.6				-154.6				-154.6				-154.6
	NET		197.4				197.4				197.4				197.4
37	SPACE LAUNCH SUPPORT		381.1		-35.0		346.1				381.1		-35.0		346.1
	LESS: ADVANCE PROCUREMENT (PY)		-85.1				-85.1				-85.1				-85.1
	NET		296.0		-35.0		261.0				296.0				261.0

40	DEF METEOROLOGICAL SAT PROG (MYP)		54.0			54.0			54.0			54.0
42	DEFENSE SUPPORT PROGRAM		131.3			131.3			131.3			131.3
44	DEFENSE SATELLITE COMM SYSTEM (MYP)	2	187.7		2	187.7		2	187.7		2	187.7
	LESS: ADVANCE PROCUREMENT (PY)		-52.2			-52.2			-52.2			-52.2
			--------			--------			--------			--------
	NET		135.5			135.5			135.5			135.5
45	ADVANCE PROCUREMENT (CY)		13.7			13.7			13.7			13.7
46	AF SATELLITE COMM SYSTEM	1	34.4		1	34.4		1	34.4		1	34.4
47	SPACE BOOSTERS	7	126.9		7	126.9		7	126.9		7	126.9
48	SPACE DEFENSE SYSTEM		[ ]			[ ]			[ ]	-65.0		-65.0
	LESS: ADVANCE PROCUREMENT (PY)											
			--------			--------			--------			--------
	NET		[ ]			[ ]			[ ]			-65.0
49	ADVANCE PROCUREMENT (CY)		[ ]			[ ]			[ ]			[ ]
50	SPACE SHUTTLE		22.1			22.1			22.1			22.1
	SPECIAL PROGRAMS											
51	OTHER PROGRAMS		170.0			170.0			170.0			170.0
52	HAVE FLAG		[ ]			[ ]			[ ]			[ ]
53	FOREST GREEN		4.7			4.7			4.7			4.7
54	IONDS (MYP)		45.8			45.3			45.8			45.8
55	SPECIAL PROGRAMS		1915.8	-32.4		1883.4	-42.5		1873.3	-38.1		1877.7
56	SPECIAL UPDATE PROGRAMS		887.4	40.1		927.5			887.4	40.1		927.5
	CLASSIFIED PROGRAM		[ ]			[ ]	-75.0		-75.0			[ ]
			----------------	------------------------		------------	------------------------		------------	------------------------		------------
	SUBTOTAL, OTHER SUPPORT		4169.2	-27.3		4141.9	-117.5		4051.7	-98.0		4071.2

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	PRIOR YEAR AUTHORIZATION TRANSFER		---				---		-11.8		-11.8		-11.8		-11.8
	FY 87 AND SUBSEQUENT YEARS INFLATION		---				---		-429.1		-429.1				---
	INFLATION REESTIMATE FOR FY 86		---		-13.0		-13.0		-13.0		-13.0		-13.0		-13.0
	PRIOR YEAR PROGRAM SAVINGS		---		-35.0		-35.0		-31.0		-31.0		-31.0		-31.0
	ROUNDING ADJUSTMENT						.1				.1				---
	TOTAL, AIR FORCE MISSILES		10862.7		-1587.8		9274.9		-3455.1		7407.6		-1854.0		9008.6

Peacekeeper (MX)

The Senate bill approved the full amount requested for research and development for the MX and provided for procurement of 12 MX missiles, equipment to support basing of not more than 50 MX missiles in existing silos, and full funding of the request for initial spares, for a total procurement of $1,889.3 million. In addition, the Senate bill expressed the sense of Congress that not more than 50 MX missiles should be deployed in existing Minuteman silos. The House amendment reduced the research and development request by $100 million, provided for the procurement of no additional MX missiles, and provided $921 million to support basing of not more than 40 deployed MX missiles.

The conferees agreed to a limitation in law of no more than 50 MX missiles in existing Minuteman silos. The conferees further agreed to provide $1,746.0 million to procure 12 MX missiles and 18 basing sets to support the silo based deployments of 50 MX missiles, $105 million for initial spares, and $734.1 million for MX research and development.

The conference provision is explicit with regard to the limitation on further deployment (beyond 50 MX missiles) in existing Munuteman silos and is equally explicit with regard to the possibility of further MX deployments should the President purpose and the Congress approve a more survivable basing mode.

The conferees and in agreement that MX procurement shall continue to provide missiles necessary for the operational test program and the missile aging and surveillance program. Although the conferees did not address the ultimate size of the MX test program, the conference provision notes that from 12 to 21 missiles should be procured for these purposes in fiscal year 1987.

Missile replacement equipment—strategic

The budget request contained $86.7 million for procurement of strategic force modernization missile replacement equipment in fiscal year 1986. The House amendment would authorize $76.7 million for strategic force modernization missile replacement equipment in fiscal year 1986. The Senate bill would authorize $56.7 million for the same purpose.

The conferees agreed to authorize $66.7 million for procurement of strategic force modernization missile replacement equipment in fiscal year 1986.

AIM-9L/M Sidewinder

The budget request contained $43.3 million for procurement of 800 AIM-9L/M Sidewinder missiles in fiscal year 1986. The House amendment would authorize $81.3 million for procurement of 1502 AIM-9L/M Sidewinder missiles in fiscal year 1986. The Senate bill would authorize $43.3 million for procurement of 800 AIM-9L/M Sidewinder missiles in fiscal year 1986.

The conferees agreed to authorize $81.3 million for 1502 AIM-9L/M Sidewinder missiles in fiscal year 1986.

The Senate recedes.

AGM-130 powered GBU-15

The budget request contained $48.5 million for procurement of 97 AGM-130 powered GBU-15 missiles in fiscal year 1986. The House amendment would authorize $16.0 million for the AGM-130 powered GBU-15 missile. The Senate bill would authorize $48.5 million for procurement of 97 AGM-130 powered GBU-15 missiles in fiscal year 1987.

The conferees agreed to authorize $20.0 million for procurement of 40 AGM-130 powered GBU-15 missiles in fiscal year 1986.

AGM-65D Maverick

The budget request contained $489.0 million for procurement of 3500 AGM-65D Maverick missiles in fiscal year 1986. The House amendment would authorize $430.9 million for procurement of 2950 AGM-65D Maverick missiles in fiscal year 1986. The Senate bill would authorize $489.0 million for procurement of 3500 AGM-65D Maverick missiles in fiscal year 1986.

The conferees agreed to authorize $430.9 million for procurement of 2950 Maverick missiles in fiscal year 1986.

The Senate recedes.

AGM-88A HARM

The budget request contained $478.1 million for procurement of 1715 AGM-88A HARM missiles in fiscal year 1986. The House amendment would authorize $425.7 million for procurement of 1715 AGM-88A HARM missiles in fiscal year 1986. The Senate bill would authorize $478.1 million for procurement of 1715 AGM-88A HARM missiles in fiscal year 1986.

The conferees agreed to authorize $478.1 million for procurement of 1715 HARM missiles.

The House recedes.

Rapier

The budget request contained $7.6 million for procurement of Rapier missiles in fiscal year 1986. The House amendment would authorize $3.6 million for procurement of 1715 Rapier missiles in fiscal year 1986. The Senate bill would authorize $7.6 million for procurement of 1715 Rapier missiles in fiscal year 1986.

The conferees agreed to authorize $3.6 million for procurement of Rapier missiles.

The Senate recedes.

Advanced medium range air-to-air missile (AMRAAM)

The budget request contained $366.5 million to procure 90 AMRAAM missiles and $65.9 million for advance procurement.

The Senate bill would authorize $200.0 million for procurement of AMRAAM missiles and $65.9 million for advance procurement. The House amendment contained no funds for AMRAAM.

The conferees recommend authorization of $150.0 million for missile procurement for purposes of qualifying a second manufacturer and instituting producibility improvements and $30.0 million for advance procurement.

The conferees also agreed that unobligated funds totaling $29.4 million of fiscal year 1984 AMRAAM advanced procurement may be carried forward to fiscal year 1986.

The advance procurement funds totaling $59.4 million may not be obligated or expended until 30 days after the results of the Production Readiness Review (PRR) Number Four, scheduled for not later than June 1986, have been submitted to the Committees on Armed Services of the Senate and the House of Representatives.

BGM-109 (ground launched cruise missile)

The budget request contained $544.1 million for procurement of 95 BGM-109 (GLCM) missiles in fiscal year 1986 and $9.8 million for advance procurement of 76 missiles in fiscal year 1987. The House amendment would authorize $534.1 million for procurement of 95 BGM-109 missiles in fiscal year 1986 and $9.8 million for advance procurement of 76 missiles in fiscal year 1987. The Senate bill would authorize $544.1 million for procurement of 95 BGM-109 missiles in fiscal year 1986 and $9.8 million for advance procurement of 76 missiles in fiscal year 1987—the full amount requested.

The conferees agree to authorize $534.1 million for procurement of 95 BGM-109 GLCM missiles in fiscal year 1986 and $9.8 million for advance procurement of 76 missiles in fiscal year 1987.

Modification of missiles

The budget request contained $134.5 million for modification of missiles in fiscal year 1986, including $13.5 million for Class V modifications. The House amendment would authorize $129.4 million for modification of missiles in fiscal year 1986, including $8.4 million for Class V modifications. The Senate bill would authorize the full amount requested.

The House recedes.

Spares and repair parts

The budget request contained $539.2 million for missile spares and repair parts, including $143.0 million for MX initial spares, $0.9 million for Maverick spares, $7.2 million for HARM spares, $6.1 million for AMRAAM spares, and unspecified amounts for classified program spares. The House amendment would authorize $369.4 million for missile spares and repair parts, including $0.7 million for Maverick spares, and $6.3 million for HARM spares. The House amendment would make unspecified reductions in classified program spares. The House amendment does not contain authorization for MX initial spares or AMRAAM spares. The Senate bill would authorize $514.3 million for missile spares and repair parts, including $143.0 million for MX initial spares, $0.9 million for Maverick spares, $7.2 million for HARM spares, and $6.1 million for AMRAAM spares. The Senate bill would make unspecified reductions in classified program spares.

The conferees agree to authorize $465.3 million for Air Force missile spares and repair parts, including the following specific authorizations for initial spares:

MX initial spares, $105.0 million;
Classified program spares, [——];
Maverick spares, $0.7 million;

HARM spares, $7.2 million;
AMRAAM spares, $0.0 million;

Modification of spares

The budget request contained $2.2 million for modification of Maverick spares. The House amendment would authorize $1.9 million for modification of Maverick spares. The Senate bill would authorize $2.2 million for modification of Maverick spares.

The conferees recommend authorization of $1.9 million for modification of Maverick spares.

The Senate recedes.

Replenishment spares

The budget request contained $8.6 million for Maverick spares, $5.2 million for HARM spares, $4.1 million for Rapier spares, and $0.3 million for AMRAAM spares. The House amendment would authorize $7.3 million for Maverick spares, $4.6 million for HARM spares, $1.9 million for Rapier spares, and no authorization for AMRAAM spares. The Senate bill would authorize $8.6 million for Maverick spares, $5.2 million for HARM spares, $4.1 million for Rapier spares, and $0.3 million for AMRAAM spares.

The conferees recommend authorization of $7.3 million for Maverick spares, $5.2 million for HARM spares, $1.9 million for Rapier spares; no authorization for AMRAAM spares; and no authorization for MX spares.

Other support

Space launch support

The budget request contained $296.0 million for space launch support in fiscal year 1986. The House amendment would authorize the full amount requested. The Senate bill would authorize $261.0 million for space launch support in fiscal year 1986.

The House recedes.

Space defense system

The budget request contained $83.0 million for ASAT-related procurement under the space defense system program in fiscal year 1986, including $14.9 million for advance procurement for fiscal year 1987. The House amendment would authorize the requested amount. The Senate bill would authorize the requested amount.

The Committees on Armed Services are concerned with the technical problems being experienced in the ASAT program and the resulting schedule slippage and expect the Air Force to review and, If necessary, to restructure the program.

The conferees agreed to authorize $18.0 million for space defense systems in fiscal year 1986, and $14.9 million for advance procurement for fiscal year 1987. The conferees invite the Air Force to reprogram funds into the RDT & E program for the purpose of addressing technical issues.

Special programs

The budget request contained $1,915.8 million for special programs in fiscal year 1986. The House amendment would authorize

$1,873.3 million for the same purpose. The Senate bill would authorize $1,883.4 million for the same purpose.

The conferees agreed to authorize $1,877.7 million for special programs in fiscal year 1986.

Special update programs

The budget request contained $887.4 million for special update programs in fiscal year 1986. The House amendment would authorize the requested amount. The Senate bill would authorize $927.5 million for special update programs in fiscal year 1986.

The conferees agreed to authorize $927.5 million for special programs in fiscal year 1986.

Prior year transfer

The House amendment authorized the transfer of $11.8 million in prior year appropriations to be applied to the fiscal year 1986 Air Force missile program. The Senate bill did not provide for similar authorization.

The conferees agreed to authorize the transfer of $11.8 million in prior year appropriations to be applied to the fiscal year 1986 Air Force missile program, including the following specific transfers:

Fiscal year 1985 Rapier, $4.0 million;
Fiscal year 1983 ALCM, $5.3 million;
Fiscal year 1983 AIM-9L/M Sidewinder, $0.3 million;
Fiscal year 1983 Defense meteorological satellite program, $2.2 million.

The Senate recedes.

OTHER PROCUREMENT, AIR FORCE

(DOLLARS IN MILLIONS)

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	MUNITIONS AND ASSOCIATED EQUIPMENT														
	ROCKETS AND LAUNCHERS														
1	2.75 INCH ROCKET MOTOR	100000	22.3			100000	22.3			100000	22.3			100000	22.3
2	GTR-18 MISSILE SIMULATOR	65867	2.0			65867	2.0			65867	2.0			65867	2.0
4	ROCKET TRAINING 35MM	52280	1.7			52280	1.7			52280	1.7			52280	1.7
5	ITEMS LESS THAN $900,000		4.6				4.6				4.6				4.6
	CARTRIDGES (THOUSANDS)														
6	9 MM PARABELLUM	10000	1.2	-10000	-1.2	0	0.0			10000	1.2			10000	1.2
8	5.56 MM	29513	4.5			29513	4.5			29513	4.5			29513	4.5
10	20 MM TRAINING	450	1.5			450	1.5			450	1.5			450	1.5
11	30 MM TRAINING	9000	100.4			9000	100.4	-340	-8.8	8660	91.6	-340	-8.8	8660	91.6
13	30 MM API	2165	30.6			2165	30.6			2165	30.6			2165	30.6
15	40 MM TP GRENADES	750	3.5			750	3.5			750	3.5			750	3.5
16	40 MM HE GRENADES	1009	16.6			1009	16.6			1009	16.6			1009	16.6
18	CART CHAFF, RR-170	5707	17.8			5707	17.8			5707	17.8			5707	17.8
19	CART CHAFF, RR-136	67	.5			67	.5			67	.5			67	.5
20	SIGNAL MK-4 MOD 3	1258	1.7			1258	1.7			1258	1.7			1258	1.7
21	MXU-4A/A ENGINE STARTER	50	5.0			50	5.0			50	5.0			50	5.0
22	CART IMP 3000 FT/LBS	1913	4.3			1913	4.3	-514	-1.1	1399	3.2	-514	-1.1	1399	3.2
24	ITEMS LESS THAN $900,000		8.7				8.7				8.7				8.7
	BOMBS														
25	MK-82 INERT/BDU-50	49638	13.4			49638	13.4			49638	13.4			49638	13.4
26	DURANDAL	3483	94.5			3483	94.5		-13.9	3483	80.6	-483	-7.9	3000	86.6
27	TIMER ACTUATOR FIN FUZE	5000	2.0			5000	2.0	-5000	-2.0	0	-0.0		-2.0		0.0
28	BSU-49 INFLATABLE RETARDER	51392	34.7			51392	34.7			51392	34.7			51392	34.7
29	BSU-50 INFLATABLE RETARDER	9300	10.2			9300	10.2			9300	10.2			9300	10.2
30	BOMB 2000 LB HIGH EXPLOSIVE	13006	34.1			13006	34.1	-1000	-11.9	12006	22.2			13006	34.1

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
31	CLUSTER BOMB, MK-20 (ROCKEYE)	1496	4.4			1496	4.4			1496	4.4			1496	4.4
32	LASER BOMB GUIDANCE KIT	2575	103.7	-2575	-103.7	0	0.0	-2575	-103.7	-2575	0.0	-2575	-103.7	0	0.0
33	GBU-15	715	127.9			715	127.9	-115	-17.7	600	110.2			715	127.9
34	BOMB, PRACTICE 25 POUND	100000	20.9			100000	20.9			100000	20.9			100000	20.9
35	BOMB, PRACTICE BDU-38	683	5.4			683	5.4			683	5.4			683	5.4
36	BOMB, PRACTICE MK-106	122472	1.3			122472	1.3			122472	1.3			122472	1.3
37	MK-84 BOMB-EMPTY	4736	6.8			4736	6.8			4736	6.8			4736	6.8
38	CBU-89 (TMD/GATOR)	4406	202.0			4406	202.0	-806	-37.0	3600	165.0	-706	-30.0	3700	172.0
39	CBU-87 (COMBINED EFFECTS MUNITION)	22500	552.9			22500	552.9			22500	552.9			22500	552.9
40	BIGEYE	425	22.1			425	22.1			425	22.1			425	22.1
41	ITEMS LESS THAN $900,000		1.5				1.5				1.5				1.5
	TARGETS														
42	AERIAL TOW TARGET	365	8.4			365	8.4	-165	-4.6	200	3.8	-65	-1.6	300	6.8
43	ITEMS LESS THAN $900,000		.3				.3				.3				.3
	OTHER ITEMS														
45	FLARE, IR MJU-7B	563040	13.3			563040	13.3			563040	13.3			563040	13.3
46	FLARE, PARA, LUU-4B	3600	1.4			3600	1.4			3600	1.4			3600	1.4
47	FLARE, IR MJU-2	100022	3.1			100022	3.1			100022	3.1			100022	3.1
49	M-206 CARTRIDGE FLARE	228000	1.4			228000	1.4			228000	1.4			228000	1.4
51	SIGNAL, SMOKE/ILLUM MK-6	20356	2.0			20356	2.0			20356	2.0			20356	2.0
52	SIGNAL SMOKE AND ILLUMINATING	109944	2.5			109944	2.5			109944	2.5			109944	2.5
53	MC-3468, RETARD DEVICE	153	1.9			153	1.9			153	1.9			153	1.9
54	RAPID MUNITIONS ASSEMBLY	46	3.9			46	3.9		-1.1	46	2.8		-1.1	46	2.8
58	SPARES AND REPAIR PARTS		9.5				9.5		-2.4		7.1		-2.4		7.1
59	MODIFICATIONS		.7				.7				.7				.7
60	ITEMS LESS THAN $900,000		21.3		-2.3		19.0				21.3		-2.3		19.0
	FUZES														
62	FMU-130	10500	8.4			10500	8.4	-10500	-8.4	0	0.0	-10500	-8.4	0	0.0
63	FMU-112/FMU-139	75000	61.7			75000	61.7	-18650	-20.0	50000	41.7	-25000	-20.0	50000	41.7
65	ITEMS LESS THAN $900,000		.2				.2				.2				.2

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	OTHER WEAPONS														
66	M-203 GRENADE LAUNCHER	1314	.8			1314	.8			1314	.8			1314	.8
67	MACHINE GUN, 7.62MM, M-60	1259	3.8			1259	3.8			1259	3.8			1259	3.8
68	GAU-5 MACHINE GUN	2917	1.4			2917	1.4			2917	1.4			2917	1.4
69	40MM MACHINE GUN, MK-19	499	4.2			499	4.2			499	4.2			499	4.2
70	9MM HANDGUN	19000	6.8	-19000	-6.8	0	-0.0			19000	6.8			19000	6.8
	SUBTOTAL, MUNITIONS & ASSOCIATED EQUIP		1621.8		-114.0		1507.8		-232.6		1389.2		-189.4		1432.4
	VEHICULAR EQUIPMENT														
	PASSENGER CARRYING VEHICLES														
71	SEDAN, 4 DR 4X2	293	1.9			293	1.9			293	1.9			293	1.9
72	STATION WAGON, 4X2	283	2.2			283	2.2			283	2.2			283	2.2
73	BUS, 28 PASSENGER	155	4.8			155	4.8			155	4.8			155	4.8
74	BUS, INTERCITY	10	1.8			10	1.8			10	1.8			10	1.8
75	BUS, 44 PASSENGER	81	2.8			81	2.8			81	2.8			81	2.8
76	AMBULANCE, BUS	27	2.2			27	2.2	-22	-1.8	5	.3			27	2.2
	CARGO & UTILITY VEHICLES														
78	TRUCK, STAKE/PLATFORM	540	6.8			540	6.8	-416	-2.3	124	4.5			540	6.8
79	TRUCK, CARGO-UTILITY, 3/4T, 4X4	406	4.5			406	4.5	-79	-.9	327	3.6			406	4.5
80	TRUCK. CARGO-UTILITY, 1/2T, 4X2	486	4.4			486	4.4			486	4.4			486	4.4
81	TRUCK, PICKUP, 1/2T, 4X2	850	6.5			850	6.5			850	6.5			850	6.5
82	TRUCK, PICKUP, COMPACT	1168	6.4			1168	6.4		-.6	1168	5.8			1168	6.4
84	TRUCK, MULTI-STOP 1 TON 4X2	751	11.7			751	11.7	-68	-1.0	683	10.7			751	11.7
85	TRUCK, PANEL, 4X2	348	3.5			348	3.5			348	3.5			348	3.5
86	SHOP VAN 4X4	20	.9			20	.9	-12	-.5	8	.4			20	.9
87	TRUCK, CARRYALL	571	7.5			571	7.5	-108	-1.4	463	6.1			571	7.5
88	COMMERCIAL UTILITY CARGO VEHICLE	258	3.6			258	3.6			258	3.6			258	3.6
89	TRUCK, CARGO, 2 1/2T, 6X6, M-35	371	15.6			371	15.6			371	15.6			371	15.6
90	TRUCK, CARGO 5T M-923.M-925	223	17.1			223	17.1			223	17.1			223	17.1
91	SEMI-TRAILER, 20 T	34	.4			34	.4			34	.4			34	.4
93	HIGH MOBILITY VEHICLE (MYP)	594	15.3			594	15.3			594	15.3			594	15.3

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
95	TRUCK, TRACTOR 5T M-932 (MYP)	15	1.0			15	1.0			15	1.0			15	1.0
96	TRUCK, TRACTOR, OVER 5T	102	4.4			102	4.4			102	4.4			102	4.4
97	TRUCK, WRECKER	7	.4			7	.4			7	.4			7	.4
98	TRUCK, WRECKER 5T M936 (MYF)	26	3.9			26	3.9			26	3.9			26	3.9
99	TRUCK, DUMP 5 TON	163	8.1			163	8.1			183	8.1			183	8.1
100	TRUCK, UTILITY	218	2.2			218	2.2	-81	-.8	137	1.4			218	2.2
102	ITEMS LESS THAN $900,000		8.4				8.4				8.4				8.4
	SPECIAL PURPOSE VEHICLES														
103	TRUCK, MAINT 4X2	267	2.6			267	2.6	-111	-1.6	176	1.0			267	2.6
104	TRUCK, MAINT, 4X4	101	1.2			101	1.2			101	1.2			101	1.2
105	TRUCK, MAINT, HI-REACH	26	2.1			26	2.1			26	2.1			26	2.1
106	TRUCK, TELEPHONE MAINTENANCE	26	3.8			26	3.8			26	3.8			26	3.8
107	TRUCK, TANK, 1200 GAL	56	2.0			56	2.0			56	2.0			56	2.0
108	TRUCK, TANK FUEL R-9	216	23.6			216	23.6			216	23.6			216	23.6
109	TRUCK, TANK, FUEL, M-49	31	1.8			31	1.8			31	1.8			31	1.8
111	TRUCK, TANK, LIQ NIT, C-5	2	.5			2	.5			2	.5			2	.5
113	TRACTOR, A/C TOW, MB-4	110	2.9			110	2.9			110	2.9			110	2.9
114	TRACTOR, TOW, FLIGHTLINE	260	3.9			260	3.9			260	3.9			260	3.9
115	TRACTOR, WHEELED, INDUSTRIAL	150	1.9			150	1.9			150	1.9			150	1.9
116	TRACTOR, DOZER	37	2.4			37	2.4			37	2.4			37	2.4
118	VEHICLE, LAW ENFORCEMENT	271	2.3			271	2.3	-144	-1.2	127	1.1			271	2.3
119	TRUCK, DEMINERAL WATER, 2600 GAL	9	.9			9	.9			9	.9			9	.9
120	TRUCK, HI LIFT C5	2	.1			2	.1			2	.1			2	.1
121	TRUCK, HI LIFT 3T	3	.2			3	.2			3	.2			3	.2
122	TRUCK, HI LIFT, 9T	3	.2			3	.2			3	.2			3	.2
123	TRUCK, REFUSE	23	1.8			23	1.8			23	1.8			23	1.8
124	TRUCK, HYDRANT FUEL	39	3.9			39	3.9			39	3.9			39	3.9
125	TRAILER WATER M149	21	.2			21	.2			21	.2			21	.2
126	TRAILER FUEL A1B	15	.2			15	.2			15	.2			15	.2
128	SEMI TRAILER COMPRESSED GAS	16	2.7			16	2.7			16	2.7			16	2.7
129	SEMI TRAILER TANK UDMH	1	.1			1	.1			1	.1			1	.1
131	DOLLY M832	19	.4			19	.4			19	.4			19	.4
133	TRACTOR WHEELED W DOZER	3	.4			3	.4			3	.4			3	.4
134	ITEMS LESS THAN $900,000		7.5				7.5				7.5				7.5

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	FIRE FIGHTING EQUIPMENT														
135	TRUCK, CRASH P-4/P-19	140	23.8			140	23.8			140	23.8			140	23.8
136	TRUCK, CRASH P-15	5	3.5			5	3.5			5	3.5			5	3.5
137	TRUCK, CRASH P-2	18	8.2			18	8.2			18	8.2			18	8.2
138	TRUCK, WATER P-18	52	3.9			52	3.9			52	3.9			52	3.9
139	TRUCK, PUMPER P-8	16	1.9			16	1.9			16	1.9			16	1.9
140	TRUCK, PUMPER P-12	2	.2			2	.2			2	.2			2	.2
141	TRUCK, CRASH P-10	14	.4			14	.4			14	.4			14	.4
142	TRUCK, CRASH P-13/P-20	20	.5			20	.5			20	.5			20	.5
144	ITEMS LESS THAN $900,000		.8				.8				.8				.8
	MATERIALS HANDLING EQUIPMENT														
145	TRUCK, F/L 4,000 LB GED/DED 144"	151	2.2			151	2.2			151	2.2			151	2.2
146	TRUCK, F/L 6000 LB	203	4.9			203	4.9	-16	-.4	187	4.5			203	4.9
147	TRUCK, F/L 10,000 LB	196	10.9			196	10.9			196	10.9			196	10.9
148	TRUCK F/L LARGE CAPACITY AT	10	.6			10	.6			10	.6			10	.6
149	TRUCK, F/L 15000 LB	19	.8			19	.8			19	.8			19	.8
150	LARGE CAPACITY LOADER	10	4.3			10	4.3			10	4.3			10	4.3
151	25K A/C LOADER	45	6.3			45	6.3			45	6.3			45	6.3
153	TRACTOR, WHSE, 4,000 LB	101	.8			101	.8			101	.8			101	.8
154	CONTAINER, LIFT, TRUCK	20	4.5			20	4.5			20	4.5			20	4.5
155	ITEMS LESS THAN $900,000		2.7				2.7				2.7				2.7
	BASE MAINTENANCE SUPPORT														
156	LOADER, SCOOP	54	3.6			54	3.6			54	3.6			54	3.6
157	LOADER, SCOOP, W/BACKHOE	20	.7			20	.7			20	.7			20	.7
158	DISTRIBUTOR, WATER 1500 GALLON	69	3.5			69	3.5			69	3.5			69	3.5
160	CLEANER, RUNWAY/STREET	139	6.0			139	6.0			139	6.0			139	6.0
161	ROLLER, VIBRATING	29	.7			29	.7			29	.7			29	.7
162	TRUCK, DUMP 22T	9	.9			9	.9			9	.9			9	.9
163	GRADER, ROAD, MOTORIZED	54	3.1			54	3.1			54	3.1			54	3.1
164	CRANE, 7-50 TON	23	3.1			23	3.1			23	3.1			23	3.1
165	EXCAVATOR, DED, PT	38	4.3			38	4.3			38	4.3			38	4.3
166	WATERCRAFT	3	4.3			3	4.3			3	4.3			3	4.3

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
167	SPARES AND REPAIR PARTS		4.5				4.5				4.5				4.5
168	MODIFICATIONS		.2				.2				.2				.2
169	ITEMS LESS THAN $900,000		7.2				7.2				7.2				7.2
	UNDISTRIBUTED REDUCTION		---		-20.0		-20.0				---		-20.0		-20.0
	SUBTOTAL, VEHICULAR EQUIPMENT		340.9		-20.0		320.9		-12.5		328.4		-20.0		320.8
	ELECTRONICS AND TELECOMMUNICATIONS EQUIPMENT														
	COMM SECURITY EQUIPMENT (COMSEC)														
170	SPACE SYSTEMS (COMSEC)		33.5				33.5				33.5				33.5
171	TEMPEST EQUIPMENT		.5				.5				.5				.5
172	TAC SECURE VOICE		13.2				13.2				13.2				13.2
173	DCS SECURE VOICE (COMSEC)		27.7				27.7				27.7				27.7
174	SECURE DATA		41.0				41.0				41.0				41.0
175	TRI-TAC (COMSEC)		28.6				28.6				28.6				28.6
176	SPARES AND REPAIR PARTS		7.6				7.6				7.6				7.6
177	MODIFICATIONS (COMSEC)		.3				.3				.3				.3
	INTELLIGENCE PROGRAMS														
178	INTELLIGENCE DATA HANDLING SYS		29.4		-5.6		23.8				29.4		-5.6		23.8
179	INTELLIGENCE TRAINING EQUIPMENT		9.1				9.1				9.1				9.1
180	INTELLIGENCE COMM EQUIP		4.6				4.6				4.6				4.6
182	COBRA SHOE		3.0				3.0				3.0				3.0
183	ITEMS LESS THAN $900,000		6.4				6.4				6.4				6.4
	ELECTRONICS PROGRAMS														
184	TRAFFIC CONTROL/LANDING		5.0				5.0				5.0				5.0
185	TACTICAL AIR CONTROL SYS IMPROVEMENT		95.4		-23.0		72.4	(-2)	-11.0	(2)	84.4		-11.0	(2)	84.4
186	WEATHER OBSERV/FORCAST		31.6				31.6				31.6				31.6
187	DEFENSE SUPPORT PROGRAM		117.8				117.8				117.8				117.8
188	OTH-B RADAR		237.0				237.0		-110.0		127.0		-70.0		167.0
189	SACDIN		1.1				1.1				1.1				1.1
190	SAC COMMAND AND CONTROL		11.1				11.1		-11.1		0.0				11.1

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
191	CHEYENNE MOUNTAIN COMPLEX		61.0		-5.9		55.1				61.0		-5.9		55.1
192	PAVE PAWS/SLBM WARNING SYSTEMS		9.0				9.0				9.0				9.0
193	BMEWS MODERNIZATION		70.3				70.3				70.3				70.3
194	SPACETRACK		10.1				10.1				10.1				10.1
195	NAVSTAR GPS		7.4		-4.0		3.4				7.4		-4.0		3.4
196	USAFE COMMAND/CONTROL SYSTEM		12.1				12.1		-5.7		6.4				12.1
197	PACAF COMMAND/CONTROL		9.9				9.9				9.9				9.9
198	DEFENSE METEOROLOGICAL SAT PROG		10.0		-2.0		8.0				10.0				10.0
200	CARIBBEAN BASIN RADAR NETWORK		4.4				4.4				4.4				4.4
201	MARS/USAF-FAA RADAR UPGRADE		16.6				16.6				16.6				16.6
202	TAC SIGINT SUPPORT		34.7				34.7				34.7				34.7
203	DIST EARLY WARNING RDR/NORTH WARNING		8.9				8.9				8.9				8.9
204	TRANSPORT GROUND INTERCEPT FACIL		17.5				17.5				17.5				17.5
205	TR-1 GROUND STATIONS		74.6				74.6		-20.0		54.6		-10.0		64.6
206	AIR BASE SURVIVABILITY		1.6				1.6				1.6				1.6
207	TEREC GROUND PROCESSOR		4.1				4.1				4.1				4.1
208	IMAGERY TRANS		37.5				37.5		-37.5		-0.0		-17.5		20.0
210	TACTICAL WARNING SYSTEMS SUPPORT		.4				.4				.4				.4
211	NORTH ATLANTIC DEFENSE C3		22.4				22.4				22.4				22.4
	SPECIAL COMM-ELECTRONICS PROJECTS														
212	AUTOMATIC DATA PROCESSING EQUIP		170.5				170.5				170.5				170.5
213	WWMCCS ADPE		36.4				36.4				36.4				36.4
214	MAC COMMAND AND CONTROL SUPPORT		13.3				13.3				13.3				13.3
215	GLCM COMMUNICATIONS		14.5				14.5				14.5				14.5
216	AIR BASE DEFENSE/AF PHYS SECURITY		52.5				52.5				52.5				52.5
217	WEAPONS STORAGE/SECURITY		2.9				2.9				2.9				2.9
218	RANGE IMPROVEMENTS		105.2		-15.0		90.2				105.2		-15.0		90.2
219	HF RADIO CONSOLIDATION		9.8				9.8				9.8				9.8
220	RADAR BOMB SCORER		9.1				9.1				9.1				9.1
221	PLSS		25.1				25.1				25.1				25.1
222	C3 COUNTERMEASURES		21.4				21.4				21.4				21.4
223	SPACE SHUTTLE		5.0				5.0				5.0				5.0
225	BASE LEVEL DATA AUTO PROGRAM		64.9				64.9		-17.0		47.9		-17.0		47.9
226	SATELLITE CONTROL FACILITY		66.3		-15.0		51.3				66.3				66.3
228	CONSTANT WATCH		15.9				15.9				15.9				15.9

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
229	CONSOLIDATED SPACE OPS CENTER		17.6				17.6				17.6				17.6
230	CMD CENTER PROCESSING/DISPLAY SYS		2.6				2.6				2.6				.6
231	HAMMER ACE		.3				.8				.3				.8
232	SAMTC TEST RANGES I&M		32.1		-10.0		22.1				32.1		-10.0		22.1
233	EMP HARDENING		12.7		-4.0		8.7				12.7				12.7
	AIR FORCE COMMUNICATIONS														
234	PROGRAM 698AJ		2.0				2.0				2.0				2.0
235	INFORMATION TRANSMISSION SYSTEMS		5.7				5.7				5.7				5.7
236	TELEPHONE EXCHANGE		52.9				52.9				52.9				52.9
237	JOINT TACTICAL COMM PROGRAM		161.9				161.9				161.9				161.9
238	USREDCOM		3.0				3.0				3.0				3.0
239	USCENTCOM		26.1		-10.0		16.1				26.1				26.1
241	AUTOMATED TELECOMMUNICATIONS PRG		19.1				19.1				19.1				19.1
243	TELETYPEWRITER EQUIPMENT		11.7				11.7				11.7				11.7
244	SATELLITE TERMINALS		65.1				65.1				65.1				65.1
	DCA PROGRAMS														
245	WIDEBAND SYSTEMS UPGRADE		45.7				45.7				45.7				45.7
247	MINIMUM ESSENTIAL EMER COMM NET		14.4				14.4				14.4				14.4
248	DCS SECURE VOICE EQUIPMENT		18.4				18.4				18.4				18.4
	ORGANIZATION AND BASE														
249	TACTICAL C-E EQUIPMENT		17.9				17.9		12.0		29.9				17.9
250	PRODUCTIVITY INV TELECOM		16.4				16.4				16.4				16.4
251	RADIO EQUIPMENT		38.6				38.6				38.6				38.6
253	FIBER OPTICS		1.4				1.4				1.4				1.4
254	TV EQUIPMENT (AFRTV)		4.5				4.5				4.5				4.5
255	CCTV/AUDIOVISUAL EQUIPMENT		4.7				4.7				4.7				4.7
257	E & I REQUIREMENTS		10.8				10.8				10.8				10.8
258	SPARES AND REPAIR PARTS		398.5				398.5		-16.8		381.7		-15.0		383.5
	TAC AIR CONTROL SYSTEM		(14.2)				(14.2)		(-5.0)		(9.2)				(9.2)
	IMAGERY TRANSMISSION		(1.8)				(1.8)		(-1.8)		(0.0)				(1.8)
	OTH-B		(26.9)				(26.9)		(-10.0)		(16.9)				(16.9)
259	ITEMS LESS THAN $900,000		15.5				15.5				15.5				15.5

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	MODIFICATIONS														
260	COMM-ELECTRONICS CLASS IV		39.4				39.4				39.4				39.4
261	TRAFFIC CONTROL/LANDING		3.4				3.4				3.4				3.4
264	TACTICAL EQUIPMENT		25.4				25.4				25.4				25.4
265	ANTIJAM VOICE		19.0				19.0				19.0				19.0
	SUBTOTAL, ELECTRONICS & TELECOMM EQUIP		2816.8		-94.5		2722.3		-217.1		2599.7		-181.0		2635.8
	OTHER BASE MAINTENANCE AND SUPPORT EQUIPMENT														
	TEST EQUIPMENT														
266	BASE/ALC CALIBRATION PACKAGE		52.8		-7.8		45.0				52.8		-7.8		45.0
267	NEWARK AFS CALIBRATION PACKAGE		3.4				3.4				3.4				3.4
268	TEST EQUIPMENT-GEN PURP		39.7		-5.2		34.5				39.7		-5.2		34.5
269	ITEMS LESS THAN $900,000		42.0		-7.0		35.0				42.0		-7.0		35.0
	PERSONAL SAFETY AND RESCUE EQUIPMENT														
270	LIFE RAFT, 20 MAN	652	1.0			652	1.0			652	1.0			652	1.0
271	AUTOMATIC LIFE PERSERVER	3000	3.7			3000	3.7			3000	3.7			3000	3.7
272	NIGHT VISION GOGGLES	663	8.4			683	8.4			683	6.4			683	8.4
273	CHEMICAL/BIOLOGICAL DEF PROG		81.2				81.2				81.2				81.2
274	ITEMS LESS THAN $900,000		7.0				7.0				7.0				7.0
	DEPOT PLANT AND MATERIALS HANDLING EQUIPMENT														
275	BASE MECHANIZATION EQUIPMENT		37.5		-7.0		30.5				37.5				37.5
276	AIR TERMINAL MECHANIZATION EQUIP		1.2				1.2				1.2				1.2
278	ITEMS LESS THAN $900,000		18.5		-5.0		13.5				18.5		-5.0		13.5
	ELECTRICAL EQUIPMENT														
279	GENERATORS-MOBILE ELECTRIC		30.1		-3.0		27.1				30.1				30.1
280	FLOOD LIGHTS	900	10.7			900	10.7			900	10.7			900	10.7
281	ITEMS LESS THAN $900,000		.5				.5				.5				.5

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	BASE SUPPORT EQUIPMENT														
283	MEDICAL/DENTAL EQUIPMENT		132.3		-12.3		120.0				132.3		-12.3		120.0
264	AIR BASE SURVIVABILITY		36.7				36.7				36.7				36.7
285	COB ESSENTIAL FACILITIES		11.6				11.6		-11.6		0.0				11.6
287	BARRIER, AIRCRAFT ARRESTING SYSTEM	2	.2			2	.2			2	.2			2	.2
288	PALLET, AIR CARGO, 108"X88"	3000	2.7			3000	2.7			3000	2.7			3000	2.7
289	NET ASSEMBLY, 108"X88"		3.3				3.3				3.3				3.3
290	PUMPS AND COMPRESSORS		1.3				1.3				1.3				1.3
291	MOBILITY CONTAINERS	341	2.1			341	2.1			341	2.1			341	2.1
292	BLADDERS FUEL	183	2.7			183	2.7			183	2.7			183	2.7
293	TACTICAL SHELTER	72	17.8			72	17.8		-4.3	72	13.5			72	17.8
294	PHOTOGRAPHIC EQUIPMENT		6.5				6.5				6.5				6.5
296	PRODUCTIVITY INVESTMENTS		.9				.9				.9				.9
297	MOBILITY EQUIPMENT		43.1				43.1				43.1				43.1
298	WARTIME HOST NATION SUPPORT		5.1				5.1				5.1				5.1
299	SPARES AND REPAIR PARTS		14.3				14.3				14.3				14.3
300	ITEMS LESS THAN $900,000		17.8		-2.8		15.0				17.8		-2.8		15.0
	SPECIAL SUPPORT PROJECTS														
301	INTELLIGENCE PRODUCTION ACTIVITY		18.9				18.9				18.9				18.9
302	SCIENTIFIC/TECHNICAL INTELLIGENCE		4.6				4.6				4.6				4.6
303	TECH SURV COUNTERMEASURES EQ		4.9				4.9				4.9				4.9
304	DEFENSE DISSEMINATION SYSTEM		21.4		-6.7		14.7		-5.9		15.5		-5.9		15.5
305	AF TECHNICAL APPLICATION CENTER		15.9				15.9				15.9				15.9
306	PHOTO PROC/INTERPRET SYS		11.3		-1.3		10.0				11.3		-1.3		10.0
307	SELECTED ACTIVITIES		3933.1		-17.0		3916.1		-86.0		3847.1		-55.7		3877.4
308	SPECIAL UPDATE PROGRAM		86.5				86.5				86.5				86.5
309	INDUSTRIAL PREPAREDNESS		14.3				14.3				14.3				14.3
310	MISC EQUIPMENT		6.5				6.5				6.5				6.5
311	MODIFICATIONS		5.1				5.1				5.1				5.1
	SUBTOTAL, OTHER BASE MAINT & SUPP EQUIP		4758.6		-75.1		4683.5		-107.8		4650.8		-103.1		4655.4

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	NONCENTRALLY MANAGED ITEMS		0.0				0.0		71.3		71.3		54.7		54.7
	UNDISTRIBUTED REDUCTION		---		-237.0		-237.0				---		-237.0		-237.0
	FY 87 AND SUBSEQUENT YEARS INFLATION		---				---		-312.9		-312.9				---
	PRIOR YEAR INFLATION SAVINGS		---		-242.0		-242.0		-242.0		-242.0		-242.0		-242.0
	INFLATION REESTIMATE FOR FY 86		---		-9.0		-9.0		-9.0		-9.0		-9.0		-9.0
	PRIOR YEAR PROGRAM SAVINGS		---		-40.0		-40.0		-40.0		-40.0		-40.0		-40.0
	TOTAL, AIR FORCE OTHER PROCUREMENT		9538.0		-831.6		8706.5		-1102.6		8435.4		-966.9		8571.1

Munitions and associated equipment

The budget request contained $1,621.8 million for munitions and associated equipment. The House amendment would authorize $1,389.2 million for munitions and associated equipment. The Senate bill would authorize $1,507.8 million for munitions and associated equipment. The conferees recommend authorization of $1,432.4 million for this program.

Vehicular equipment

The budget request contained $340.9 million for procurement of vehicular equipment. The House amendment would authorize $328.4 million for procurement of vehicular equipment. The Senate bill would authorize $320.9 million for procurement of vehicular equipment. The conferees recommend authorization of $320.8 million for procurement of vehicular equipment.

Electronics and telecommunication equipment

The budget request contained $2,816.8 million for procurement of electronics and telecommunication equipment in fiscal year 1986. The House amendment would authorize $2,599.7 million for electronics and telecommunication equipment. The Senate bill would authorize $2,722.3 million for the same purpose. The conferees recommend authorization of $2,635.8 million for electronics and telecommunication equipment.

Over-the-Horizon Backscatter (OTH–B) radar

The budget request contained $237.0 million for procurement of two Over-the-Horizon Backscatter (OTH–B) radar sectors in fiscal year 1986. In addition, $26.9 million was requested for associated initial spares. The Senate bill authorized the requested amount. The House amendment would reduce the request by $110 million associated with one sector and reduce the associated spares by $10.0 million. The conferees agreed to the spares reduction of $10.0 million and agreed to authorize $167.0 million to fund one sector and, due to budgetary constraints, to provide $40 million for advance procurement of electronic parts required for the remaining two west coast sectors to be procured in the future. The conferees believe that the cost savings gained from quantity buys of these parts warrant a waiver to the full funding policy for this appropriation.

Range improvements

The budget request contained $105.2 million for range improvements.

The Senate bill would authorize $90.2 million. The House amendment would authorize the full request.

The House recedes.

The conferees expressed concern over the increased funding for improvement of Department of Defense ranges. The conferees understand the Air Force is initiating a large effort to improve its strategic range capability. The Navy and the Air Force are spending significant funds to improve their tactical ranges with expensive equipment (e.g., electronic warfare simulators and air combat maneuvering instrumentation (ACMI)).

The conferees believe that proper training for combat is essential but are concerned that these funds are expended in the most cost-effective manner. To that end, the Department of Defense is required to submit a report to the Committees on Armed Services of the Senate and the House of Representatives detailing the department's plans for range usage and improvement.

This report should include but not be limited to (1) efforts to maximize interservice sharing of ranges; (2) plans to design ranges for multimission usage (e.g., tactical and strategic); (3) plans to minimize duplicative procurement of expensive range systems (e.g., ACMI); (4) range usage rates including interservice usage; and (5) total costs of all services' range modernization programs.

This report should be submitted not later than January 31, 1986.

Other base maintenance and support equipment

The budget request contained $4,758.6 million for other base maintenance and support equipment. The House amendment would authorize $4,650.7 million for base maintenance and support equipment. The Senate bill would authorize $4,683.5 million for the same purpose. The conferees recommend authorization of $4,655.4 for other base maintenance and support equipment.

Non-centrally managed items

The House amendment would authorize $71.3 million in the Other Procurement, Air Force account for non-centrally managed items valued in excess of $3,000 for which the budget request sought funds in the Operation and Maintenance, Air Force account. The House report on the authorization bill notes that such items are more properly considered investment items rather than expense items.

The Senate bill contained no similar authorization.

The conferees recommend authorization of $54.7 million for non-centrally managed items valued in excess of $5,000 in the Other Procurement, Air Force account. As discussed in the Operation and Maintenance section, non-centrally managed items with a cost of $3,000–$5,000 are authorized in Operation and Maintenance.

The Senate recedes with an amendment.

	MAJOR EQUIPMENT:							
1	OSD/WHS:	59.4		59.4		59.4		59.4
2	NSA:							
	CLASSIFIED EQUIPMENT	[ ]	-3.0	-3.0	-36.2	-36.2	-29.9	-29.9
	SECURE TELEPHONE AND OTHER EQUIPMENT	0.0		0.0	15.0	15.0	15.0	15.0
	DNA:							
3	VEHICLES	.2		.2		.2		.2
4	OTHER CAPITAL EQUIPMENT	5.6		5.6		5.6		5.6
	DCA:							
5	WWMCCS ADP SYSTEMS	14.8		14.8		14.8		14.8
6	DEFENSE SWITCHING NETWORK	10.8		10.8		10.8		10.8
7	ITEMS LESS THAN $900,000 EACH	43.7		43.7		43.7		43.7
8	DIA:							
	INTELLIGENCE AND COMMUNICATIONS	[ ]	-.8	-.8		[ ]	-.8	-.8
	CLASSIFIED PROGRAM	[ ]		[ ]	-4.7	-4.7	-3.9	-3.9
	DLA:							
9	MATERIALS HANDLING EQUIPMENT	13.6	-3.0	10.6		13.6	-3.0	10.6
10	VEHICLES	1.9		1.9		1.9		1.9
11	MECHANIZED MATERIALS HANDLING SYSTEMS	16.4		16.4		16.4		16.4
12	ADP EQUIPMENT	74.6		74.6		74.6		74.6
13	TELECOMMUNICATIONS EQUIPMENT	11.0		11.0		11.0		11.0
14	OTHER MAJOR EQUIPMENT	6.8		6.8		6.8		6.8
	DMA:							
17	ADP EQUIPMENT	16.8		16.8		16.8		16.8
19	VEHICLES	.3		.3		.3		.3
20	OTHER CAPITAL EQUIPMENT	26.6		26.6		26.6		26.6
21	AF PHASE IV COMPUTER	4.2		4.2		4.2		4.2
24	PASS REPLACEMENT	2.7		2.7		2.7		2.7
25	DIS: VEHICLES	1.7		1.7		1.7		1.7
27	USUHS: ITEMS LESS THAN $900,000 EACH	.7		.7		.7		.7
28	DCAA: ITEMS LESS THAN $900,000 EACH	7.6		7.6		7.6		7.6
29	DAVA: ITEMS LESS THAN $900,000 EACH	.5		.5		.5		.5

				S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
30	DRSP: ITEMS LESS THAN $900,000 EACH		[ ]				[ ]				[ ]				[ ]
31	DIG: ITEMS LESS THAN $900,000 EACH		[ ]				[ ]				[ ]				[ ]
	NONCENTRALLY MANAGED ITEMS		0.0				0.0		13.0		13.0		10.0		10.0
	UNDISTRIBUTED REDUCTION		---		-30.0		-30.0				---				---
	FY 87 AND SUBSEQUENT YEARS INFLATION		---				---		-51.9		-51.9				---
	PRIOR YEAR INFLATION SAVINGS		---		-36.0		-36.0		-36.0		-36.0		-36.0		-36.0
	INFLATION REESTIMATE FOR FY 86		---		-1.0		-1.0		-1.0		-1.0		-1.0		-1.0
	TOTAL, DEFENSE AGENCIES PROCUREMENT		1391.9		-73.8		1318.1		-101.8		1290.1		-49.6		1342.3

Procurement, Defense agencies

The budget request contained $1,391.9 million to procure equipment to support Defense Agencies. The House amendment would authorize $1,290.1 million for Defense Agencies. The Senate bill would authorize $1,318.1 million for this purpose.

The conferees agree to authorize $1,342.3 million to procure equipment for Defense Agencies.

DOD NATO COOPERATIVE PROGRAMS

(DOLLARS IN MILLIONS)

				S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	AIR DEFENSE:														
	FEDERAL REPUBLIC OF GERMANY		0.0				0.0		47.1		47.1		• 30.0		30.0
	BELGIUM		0.0				0.0		23.6		23.6		15.0		15.0
	ITALY		0.0				0.0		23.6		23.6		15.0		15.0
	TURKEY		0.0				0.0		23.6		23.6		15.0		15.0
	FY 87 AND SUBSEQUENT YEARS INFLATION		---				---		(-7.1)		(-7.1)				---
	TOTAL, DOD NATO COOPERATIVE PROGRAMS		0.0				0.0		117.9		117.9		75.0		75.0

Air defense

The budget request contained no authorization for air defense for NATO Cooperative Programs in fiscal year 1986. The House amendment contained a provision (sec. 105) that would authorize $117.9 million for NATO Cooperative Programs air defense in fiscal year 1986. The Senate bill contained no authorization for this purpose.

The conferees agree to authorize $75.0 million for Department of Defense NATO Cooperative Programs in fiscal year 1986.

NATIONAL GUARD AND RESERVE PROCUREMENT

(DOLLARS IN MILLIONS)

LINE NO.	TITLE	FISCAL YEAR 1986 REQUEST		S. 1160 AS PASSED				H.R. 1872 AS PASSED				CONFERENCE			
				CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION		CHANGE FROM REQUEST		RECOMMENDATION	
		QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT
	RESERVE EQUIPMENT														
1	RESERVE, ARMY		0.0				0.0				0.0				0.0
2	RESERVE, NAVY		(0.0)				(20.0)				(25.0)				(45.0)
	MISCELLANEOUS EQUIPMENT		0.0		20.0		20.0				0.0		20.0		20.0
	UH-60 HELICOPTER		0.0				0.0	4	25.0	4	25.0	4	25.0	4	25.0
3	RESERVE, MARINE CORPS		(0.0)				(20.0)				(40.0)				(60.0)
	MISCELLANEOUS EQUIPMENT		0.0		20.0		20.0				0.0		20.0		20.0
	TANKER AIRCRAFT		0.0				0.0	2	40.0	2	40.0		40.0		40.0
4	RESERVE, AIR FORCE		(0.0)				(0.0)				(150.0)				(120.0)
	C-130H AIRCRAFT		0.0				0.0	8	150.0	8	150.0	6	120.0	6	120.0
	NATIONAL GUARD EQUIPMENT														
5	ARMY NATIONAL GUARD		(0.0)				(100.0)				(167.0)				(223.4)
	MISCELLANEOUS EQUIPMENT		0.0		100.0		100.0				0.0		100.0		100.0
	CHAPARRAL MISSILE		0.0				0.0	36	87.0	36	87.0	24	58.4	24	58.4
	IMPROVED TOW (MOD)		0.0				0.0	136	30.0	136	30.0		15.0		15.0
	TRAINING DEVICES, NONSYSTEM		0.0				0.0		50.0		50.0		50.0		50.0
6	AIR NATIONAL GUARD		(0.0)				(192.0)				(18.0)				(210.0)
	MISCELLANEOUS EQUIPMENT		0.0		30.0		30.0				0.0		30.0		30.0
	C-130 AIRCRAFT		0.0	8	150.0	8	150.0				0.0	8	150.0	8	150.0
	C-12J AIRCRAFT		0.0				0.0	6	18.0	6	18.0	6	16.0	6	18.0
	C-131 AIRCRAFT MODIFICATIONS		0.0		12.0		12.0				0.0		12.0		12.0
	TOTAL, NATIONAL GUARD AND RESERVE EQUIPMENT		0.0		332.0		332.0		400.0		400.0		658.4		658.4

Guard and Reserve procurement

The Senate bill contained a provision (sec. 104) that would authorize $332.0 million for selected equipment for the National Guard and Reserves. The House amendment did not have a similar provision; however, the House amendment provided for authorization of similar equipment in the respective provisions authorizing Army, Navy and Air Force procurements.

The conferees agreed to include authorization in a separate section (sec. 104) for Guard and Reserve equipment totaling some $658.4 million. In doing so, adjustments were made to sections 101, 102 and 103 to reflect the transfer of corresponding authorizations to section 104.

UH-60 aircraft (Blackhawk)

The budget request did not include UH-60 helicopters for the Navy Reserve Combat Search and Rescue (CSAR) mission. The House amendment would authorize $25.0 million for procurement of 4 UH-60 helicopters in fiscal year 1986. The Senate bill contained no similar provision.

The conferees recommend authorization of $25.0 milion for procurement of 4 UH-60 helicopters in fiscal year 1986.

The Senate recedes.

Tanker aircraft

The budget request did not include tanker aircraft. The House amendment would authorize $40.0 million for procurement of 2 KC130T aircraft for the Marine Corps Reserve in fiscal year 1986. The Senate bill contained no similar provision.

The conferees recommend authorization of $40.0 million for competitive procurement of generic tanker aircraft to meet the most critical Navy/Marine Corps refueling requirements.

C-12J mission support aircraft

No authorization was requested for C-12J mission support aircraft in fiscal year 1986. The House amendment would authorize $18.0 million for procurement of 6 aircraft. The Senate bill contained no authorization for procurement of C-12J mission support aircraft.

The conferees recommend authorization of $18.0 million for procurement of 12 C-12J mission support aircraft in fiscal year 1986 for the Air National Guard. The autorization is included in section 104.

The Senate recedes with an amendment that would require the competitive procurement of C-12 aircraft.

C-131 modification

The Senate bill authorized $12.0 million for a C-131 aircraft modification program. The House amendment did not contain such authorization.

The conferees recommend authorization of $12.0 million for the program. The authorized funds, however, are not to be obligated until the General Accounting Office conducts a study to determine the cost effectiveness and feasibility of the program.

Legislative Provisions

LEGISLATIVE PROVISIONS ADOPTED

Multi-year contracting authorizations

The House amendment contained a provision (sec. 101(c)) that would provide multi-year contracting authorization for weapon systems, and subsystems, and other equipment. The Senate bill contained several provisions (sec. 101(c) and sec. 102(g)) that would prohibit multi-year contracting authorization for weapon systems and subsystem and other equipment.

The following table summarizes the House and Senate provisions and presents conference agreements on multi-year contracting authorizations.

Service	Senate	House	Conference
Army.......	Sec. 101(c) prohibits authorization for M-9 ACE.	Sec. 101(c) authorizes multiyear contracts for T-700 engine, M-1A1 chassis, AGT 1500 engine, LRF and TIS for M-1, M-1 ballistic computer components, Bradley Fighting Vehicle transmission.	Sec. 101(c)(1) authorizes multiyear contracts for T-700 engine, M-1A1 Chassis, AGT 1500 engine, LRF and TIS for M-1, M-1 ballistic computer components, Bradley Fighting Vehicle transmission. Sec. 101(c)(2) prohibits authorization of multiyear contracts for M-9 ACE.

The House amendment contained a provision (sec. 101(c)(2)) that would deny multiyear contracting authority of the cost of the multiyear contract exceeds 90 percent of cost annual contract.

The Senate bill contained no similar provision.

The Senate recedes.

Removal of limitations on contractors for 120 millimeter mortar (sec. 101(d))

The House amendment contained a provision (sec. 101(d)) that removes the limitation on selection of contractors for the 120mm mortars.

The Senate bill contained no similar provision.

The Senate recedes.

Shipbuilding and conversion, navy, transfer authorization for fiscal year 1986 programs (sec. 102(c)(4))

Section 102(c) of the House amendment contained a provision that would authorize the transfer to any authorized fiscal year 1986 shipbuilding program of amounts remaining available due to cost savings in carrying out the fiscal year 1985 shipbuilding program.

The Senate bill did not contain a similar provision.

The conferees agreed to authorize the transfer of such amounts as may remain available due to cost savings in carrying out shipbuilding programs in fiscal year 1985 and prior years.

The Senate recedes with an amendment.

Shipbuilding and conversion, navy, transfer authorization for battleship reactivation (sec. 102(c)(5))

Section 102(c) of the House amendment contained a provision that would authorize the transfer to the battleship reactivation program of amounts remaining available due to cost savings in carrying out the fiscal year 1985 and 1986 shipbuilding programs.

The Senate bill did not contain a similar provision.

The conferees agreed to authorize the transfer of such amounts as may remain available due to cost savings in carrying out shipbuilding programs in fiscal year 1986 and prior years.

The Senate recedes with an amendment.

Authorization for multiyear procurement MK-46 torpedoes (sec. 102(f))

The House amendment (sec. 102(g)) contained an authorization for multiyear procurement of MK-46 torpedoes and modification kits. The Senate bill did not contain this provision.

The Senate recedes.

Authorization of ship contract design funds (sec. 102(g))

The Senate bill contained a provision (sec. 102(h)) that would require requests for authorization of ship contract design funds to be made in the shipbuilding and conversion account in fiscal years 1987 and beyond. Such authorization is currently requested in the Research, Development, Test and Evaluation, Navy account.

The House amendment did not contain a similar provision.

The House recedes.

Authorization for transfers of prior-year funds to fiscal year 1986 procurement programs

The Senate bill contained provisions in sections 101, 102, 103, and 105 that would authorize transfers of prior-year funds totaling $2,613.6 million to fiscal year 1986 procurement programs as shown in the table below:

Title I Transfers to Fiscal Year 1986 Programs in Senate Bill

($ in millions)

Transfer to / Transfer from	Aircraft Procurement, Army	Weapons & Tracked Combat Vehicles, Army	Other Procurement Army	Missiles Army	Ammunition, Army	Aircraft Procurement, Navy	Shipbuilding & Conversion, Navy	Weapons Procurement, Navy	Other Procurement, Navy	Procurement, Marine Corps	Aircraft Procurement, Air Force	Other Procurement, Air Force	Missiles, Air Force	Procurement, Defense Agencies	
Army															
Aircraft Procurement, 85	144.0														
Weapons & Tracked Combat Vehicles, 85		75.0													
Ammunition, 84					30.0										
Ammunition, 85					110.0										
Other Procurement, 84			79.0												
Other Procurement, 85			159.0												
Missiles, 85				25.0											
Navy															
Aircraft Procurement, 85						109.0									
Shipbuilding & Conversion, 82 & (PY)							357.5								
Shipbuilding & Conversion, 83							153.0								
Shipbuilding & Conversion, 84							156.1								
Shipbuilding & Conversion, 85							193.0								
Weapons Procurement, 85								15.0							
Other Procurement, 84									70.0						
Other Procurement, 85									151.0						
Procurement, Marine Corps, 85										28.0					
Air Force															
Aircraft Procurement, 85											406.0				
Other Procurement, 84												86.0			
Other Procurement, 85												196.0			
Missiles, 85													35.0		
Defense Agencies															
Procurement, 84														15.0	
Procurement, 85														21.0	
Total	144.0	75.0	238.0	25.0	140.0	109.0	859.6	15.0	221.0	28.0	406.0	282.0	35.0	36.0	2613.6

The House amendment contained provisions in sections 101, 102, 103 and 112 that would authorize transfers to prior-year funds totaling $2,614.7 million to fiscal year 1986 procurement programs as shown in the following table:

Title I Transfers to Fiscal Year 1986 Programs in House Amendment

($ in millions)

Transfer to / Transfer from	Aircraft Procurement, Army	Weapons & Tracked Combat Vehicles, Army	Other Procurement Army	Missiles Army	Ammunition, Army	Aircraft Procurement, Navy	Shipbuilding & Conversion, Navy	Weapons Procurement, Navy	Other Procurement, Navy	Procurement, Marine Corps	Aircraft Procurement, Air Force	Other Procurement, Air Force	Missiles, Air Force	Procurement, Defense Agencies	
Army															
Aircraft Procurement, 85	101.0														
Weapons & Tracked Combat Vehicles, 84		52.6													
Weapons & Tracked Combat Vehicles, 85		40.0													
Weapons & Tracked Combat Vehicles, 85 (1)		25.3													
Ammunition, 84					30.0										
Ammunition, 85		28.1			81.9										
Other Procurement, 84			79.0												
Other Procurement, 85			151.6												
Missiles, 85				25.0											
Navy															
Aircraft Procurement, 85						109.0									
Shipbuilding & Conversion, 82 & (PY)							357.5								
Shipbuilding & Conversion, 83							153.0								
Shipbuilding & Conversion, 84							156.1								
Shipbuilding & Conversion, 85							193 & (2)								
Shipbuilding & Conversion, 85 & 86							(3)								
Weapons Procurement, 85								15.0							
Other Procurement, 84									70.0						
Other Procurement, 85									151.0						
Procurement, Marine Corps, 85										28.0					
Air Force															
Aircraft Procurement, 85											406.0				
Other Procurement, 84												86.0			
Other Procurement, 85												196.0			
Missiles, 84 & (PY)													7.8		
Missiles, 85													35.0		
Defense Agencies															
Procurement, 84														15.0	
Procurement, 85														21.0	
Total	101.0	146.0	230.6	25.0	111.9	109.0	859.6	15.0	221.0	28.0	406.0	282.0	42.8	36.0	2614.7

(1) From amounts remaining available for obligation resulting from sale of M48A5 tanks.

(2) Amounts remaining available as a result of cost savings.

(3) Amounts remaining available as a result of cost savings to be used for battleship reactivation.

The conferees agreed to provisions in sections 101 through 104 that would authorize transfers of prior-year funds totaling $2,614.7 million to fiscal year 1986 procurement programs as shown in the following table:

Title I Transfers to Fiscal Year 1986
Programs in Conference Agreement
($ in millions)

Transfer to / Transfer from	Aircraft Procurement, Army	Weapons & Tracked Combat Vehicles, Army	Other Procurement Army	Missiles Army	Ammunition, Army	Aircraft Procurement, Navy	Shipbuilding & Conversion, Navy	Weapons Procurement, Navy	Other Procurement, Navy	Procurement, Marine Corps	Aircraft Procurement, Air Force	Other Procurement, Air Force	Missiles, Air Force	Procurement, Defense Agencies	
Army															
Aircraft Procurement, 85------	101.8														
Weapons & Tracked Combat Vehicles, 84--------------		52.6													
Weapons & Tracked Combat Vehicles, 85--------------		40.0													
Weapons & Tracked Combat Vehicles, 85 (1)-----------		25.3													
Ammunition, 84---------------					30.0										
Ammunition, 85---------------					110.0										
Other Procurement, 84---------			79.0												
Other Procurement, 85---------			151.6												
Missiles, 85-----------------				25.0											
Navy															
Aircraft Procurement, 83------						109.0									
Shipbuilding & Conversion, 82 & (PY)-----------------							357.5								
Shipbuilding & Conversion, 83-							153.0								
Shipbuilding & Conversion, 84-							156.1								
Shipbuilding & Conversion, 85-							193.0								
Shipbuilding & Conversion, 85 & (PY)-----------------							(2)								
Shipbuilding & Conversion, & (PY)-----------------							(3)								
Weapons Procurement, 85-------								15.0							
Other Procurement, 84---------									70.0						
Other Procurement, 85---------									151.0						
Procurement, Marine Corps, 85-										28.0					
Air Force															
Aircraft Procurement, 85------											406.0				
Other Procurement, 84---------												86.0			
Other Procurement, 85---------												196.0			
Missiles, 84 & (PY)-----------													7.0		
Missiles, 85-----------------													35.0		
Defense Agencies															
Procurement, 84--------------														15.0	
Procurement, 85--------------														21.0	
Total-------------------	101.8	117.9	230.6	25.0	140.0	109.0	859.6	15.0	221.0	28.0	406.0	282.0	42.0	36.0	2614.7

(1) Free amounts remaining available for obligation resulting from sale of M48A5 tanks.

(2) Amounts remaining available as a result of cost savings.

(3) Amounts remaining available as a result of cost savings to be used for battleship reactivation.

Reductions in authorization due to savings from lower inflation and prior year cost savings (sec. 107)

The House amendment contained a provision (sec. 111) that would reduce authorizations for procurement by $7.827 billion, including a reduction of $5.62 billion in amounts included for inflation in fiscal years subsequent to 1986 and a reduction of $2.207 billion to reflect lower than projected inflation and program savings in fiscal year 1986 and prior years. Section 111 also would require a provision that certain reductions be achieved from savings and not from program reductions, cancellations or stretchouts.

The Senate bill incorporated reductions in the authorization for appropriations contained in sections 101 to 105 to reflect lower than projected inflation in fiscal year 1986 and prior years.

The conferees agreed to include reductions to reflect lower than projected inflation in fiscal year 1986 and prior year programs in the authorization contained in sections 101 to 105 and incorporated the reductions included in both the House and Senate provisions. The House recedes with an amendment.

The conferees did not agree to include reductions in amounts included for inflation in fiscal year 1987 and subsequent years.

The House recedes.

The conferees agreed to a provision that certain reductions that have been incorporated in the authorizations in section 101 to 105 can come only from program savings. The limitation would apply to savings totaling $123 million.

The Senate recedes with an amendment.

Provision relating to transfers of prior-year funds (sec. 108)

The House amendment contained a provision (sec. 112) that would authorize certain transfers and would provide that transfers could be made only where funds were available because of program savings.

The Senate bill contained no similar provision.

The conferees agreed to a provision that would provide that transfers authorized in Title I could only be made where funds were available as a result of program savings.

The Senate recedes with an amendment.

Report on reductions and transfers (sec. 109)

The House amendment contained a provision (sec. 113) that would require the Secretary of Defense to submit a report to the Committee on Armed Services of the Senate and House of Representatives before implementing a program change as a result of certain reductions that would be made by section 111 or 112 of the House amendment.

The Senate bill contained no similar provision.

The conferees agreed to a provision that would require the Secretary of Defense to submit a report to the Committee on Armed Services of the Senate and House of Representatives before implementing program reductions or transfers as provided in sections 101 to 105.

Conventional force enhancement (sec. 110)

The House amendment contained a provision (sec. 1184) that would provide authorization of $1 billion for additional conventional force enhancements. The Senate bill did not contain a similar provision.

The conferees agreed to authorize a number of conventional initiatives and include them in the appropriate sections of the Act. In addition, the conferees recommend language that recognizes the importance of improving the United States' conventional capabilities, particularly those of NATO forces, as a means of raising the nuclear threshold. Further, the conferees recommend increased conventional force enhancements in the future.

Limitation on procurement of Sergeant York Air Defense Gun (sec. 121)

The House amendment contained a provision (sec. 106) that would prohibit obligation of funds to enter a new contract for production of the Sergeant York Air Defense Gun until: (1) the follow-on evaluation I is completed and results demonstrate that the system meets or exceeds the pass/fail criteria of the tests; (2) the Director of Testing and Evaluation submits an evaluation of the tests; (3) the Secretary of Defense certifies that testing demonstrates that the operational capabilities of the system fulfill the performance specifications of the contract; (4) the Secretary of the Army negotiates with the contractor a guarantee for contracts beyond fiscal year 1985 that the system meets the performances specifications of the contract.

The Senate bill also contained a provision (sec. 101(b)) that would prohibit expenditures for option III and any new production contracts until the Secretary of Defense certifies that the results of the operational tests justify continuation of the program.

The Senate recedes with an amendment that would also prohibit expenditures for production contract option III.

Requirements with respect to the Bradley Fighting Vehicle (sec. 122)

The House amendment contained a provision (sec. 116) that would require the Secretary of Defense to submit a report regarding the live-fire survivability tests for the Bradley Fighting Vehicles.

The Senate bill contained no similar provision.

The Senate recedes.

Condition on procurement of certain combat vehicles (sec. 123)

The House amendment contained a provision (sec. 117) that would prohibit the Department of Defense from procuring any new combat wheeled or armored vehicles until these vehicles have undergone live-fire survivability testing.

The Senate bill contained no similar provision.

The Senate recedes with an amendment that applies this prohibition only to major defense acquisition programs, consistent with section 139 of title 10, United States Code. The conferees agree that this provision is not intended to criticize the Army's current testing procedures or programs.

Sales of L119 howitzers overseas (sec. 124)

The House amendment contained a provision (sec. 108) that would provide authority for the United States to sell to friendly foreign governments those howitzers produced in U.S. arsenals without any restrictions regarding the contents of such howitzers that must be of foreign origin.

The Senate bill contained no similar provision.

The House recedes with an amendment that stipulates the assumptions contained in the Memorandum of Understanding with the United Kingdom regarding U.S. sales to third countries during the period of coproduction, as determined jointly by the United States and the United Kingdom.

Restrictions on purchase by the Army of 5-ton trucks (sec. 125)

The House amendment contained a provision (sec. 107) that would impose restrictions on expenditures for procurement of 5-ton trucks. The House amendment also would authorize the Secretary of the Army to award a five-year multiyear contract for the purchase of 5-ton trucks.

The Senate bill contained a provision (sec. 101(d)) that imposes identical restriction on expenditures for procurement of 5-ton trucks. The Senate bill provides the authority for the Secretary of the Army to award a three-year multiyear contract.

The Senate recedes.

Other Army programs (sec. 126)

Copperhead (sec. 126(a))

Section 101(f) of the House amendment would limit the obligation of the appropriations authorized for the Copperhead projectile program until the Secretary of Defense submits to the Congress a plan for establishing a second source for production of Copperhead.

The Senate bill contained no similar provision.

The Senate recedes.

Safety modifications for the Pershing II missile (sec. 126(b))

The House amendment contained a provision (sec. 101(g)) that authorizes the Secretary of the Army to purchase safety modifications using fiscal year 1986 funds. The provision stipulates that no funds for these modifications may be obligated until a report providing the details of these modifications is submitted to the Committees on Armed Services of the Senate and House of Representatives. The Senate bill contained no similar provision.

The Senate recedes.

AH-64 Apache helicopter (sec. 126(c))

Section 101(h) of the House amendment would prohibit the obligation of funds after fiscal year 1985 for the AH-64 Apache helicopter program until the contractor has implemented an effective accounting system and made available to the Defense Contract Audit Agency certain financial records.

The Senate bill contained no similar provision.

The Senate recedes.

A6 aircraft rewing program (sec. 131)

The budget request did not include the A6 aircraft rewing program. The House amendment contained a provision (sec. 115) that would authorize $240.0 million in prior year transfer authority to carry out such a program in fiscal year 1985 subject to a firm fixed priced contract and a warranty guaranteeing an 8,800 hour wing fatigue life. The Senate bill contained no similar provision.

The conferees recommend authorization of the rewing program and the prior year transfer authority.

The Senate recedes.

Limitation on MX missile procurement and deployment (sec. 141)

Sec. 107 of the Senate bill contained a sense of Congress that not more than 50 MX missiles should be deployed in existing Minuteman silos, that further procurement of MX missiles should be limited to test missiles unless a different basing mode is approved by the Congress and that in fiscal year 1987 from 12 to 21 MX missiles should be procured. Sec. 114 of the House amendment provided that no more than 40 MX missiles should be deployed at any time and that after fiscal year 1985 only test MX missiles should be procured.

The conference agreement provides for a permanent limitation on the deployment of MX missiles in existing Minuteman silos at 50. It further provides that additional MX deployments are subject to congressional authorization of a more survivable basing mode. Further procurements of MX missiles would be limited to test missiles and from 12 to 21 test missiles should be procured in fiscal year 1987.

Fighter competition (sec. 142)

The House amendment contained a provision (sec. 103(c)) that would require the Secretary of the Air Force to establish in fiscal year 1986 and ongoing competition between the F-16 and F-20 fighter aircraft, as well as other suitable aircraft the Secretary considers necessary to procure. The Senate bill contained no similar provision.

The conferees agreed on the merits of establishing in fiscal year 1986 a competition for the procurement of fighter aircraft to meet the requirements of the active and reserve forces.

The Senate recedes with amendment.

Advanced technology bomber (sec. 143)

Section 118 of the House amendment would require the Secretary of Defense to submit to the Congress a report by February 1, 1986 on the total program costs of the advanced technology bomber report. The Senate bill contained no similar provision.

The Senate recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Marine Corps Reserve 30mm gun pod

Section 102 of the House amendment made $11.0 million of the amount authorized for procurement Navy available only for procurement of gun pods for Marine Corps Reserve aircraft with a demonstrated anti-armor lethality equivalent to the GAU-8 30 millimeter gun pod. The Senate bill contained no similar provision.

The House recedes.

Restrictions on advance procurement authority for carrier service life extension program (CV-SLEP)

The Senate bill contained a provision (sec. 102(d)) that would prohibit the obligation or expenditure of more than $86.4 million of the $133.4 million recommended for authorization for the CV-SLEP program until 90 days from the date the Secretary of the Navy certifies that carrying out a full SLEP of U.S.S. *Kitty Hawk* (CV-63) in the Philadelphia Naval Shipyard in fiscal year 1987 can be done more cost effectively than through alternative means of achieving the same service life extension at other naval shipyards.

The House amendment did not contain a similar restriction.

The certification required by the Senate bill was provided on July 17, 1985.

The Senate recedes.

Prohibition on obligation or expenditure of SCN funds pending receipt of diesel submarine report

The Senate bill contained a provision (sec. 102(f)) that would prohibit the obligation or expenditure of any funds authorized for Shipbuilding and Conversion, Navy in fiscal year 1986 until the Secretary of Defense submits to the Committees on Armed Services of the Senate and House of Representatives the report on U.S. construction of foreign-designed diesel submarines required by the Department of Defense Authorization Act, 1985 (Public Law 98-525).

The House amendment contained no similar provision.

The report has since been received.

The Senate recedes.

Waiver on Limitation of Foreign Military Sales Program

The House amendment contained a provision (sec. 109) that would authorize the transfer of proceeds from foreign military sales of obsolete equipment in the inventory and finance the replacement of modern equipment.

The Senate bill contained no similar provision.

The House recedes.

Limitation on repayment of construction differential subsidy (CDS) on liquid bulk carriers

Section 1176 of the House amendment would provide that no merchant vessel limited to the foreign trade by virtue of a construction differential subsidy (CDS) restriction could be released from that restriction and be able to enter the domestic trade unless the Secretary of the Navy determines that such release would not reduce the number of militarily useful liquid bulk carriers readily available to the United States in time of war or national emergency.

The Senate bill did not contain a similar provision.

The Senate conferees were adamant in their opposition to the House amendment and refused to accept any compromise provision. The Senate conferees noted that the matter is currently being considered by the committees of primary jurisdiction and argued that the resolution should be left to those committees.

The Senate conferees further noted that the provision is opposed by the Department of Defense because it places a subcabinet official, the Secretary of the Navy, in a position to veto actions of the Secretary of Transportation.

The House reluctantly recedes.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

GENERAL

The Administration requested a total authorization of $39,280,100,000 for fiscal year 1986 Research, Development, Test, and Evaluation (RDT&E) appropriations. The conferees agreed on a total authorization of $35,488,754,000 for the RDT&E program, a reduction of $3,791,346,000 from the Administration's request. The following table summarizes the conference actions:

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION (RDT&E) SUMMARY

[in millions of dollars]

Item	Fiscal year 1986 request	Senate bill	House amendment	Conference
Army	5,279.9	4,782.775	4,793.675	4,848.663
Navy	11,264.3	10,468.556	9,637.606	10,106.401
Air Force	15,578.5	14,294.734	13,051.210	13,719.721
Defense Agencies	7,157.4	6,126.266	6,285.270	6,813.969
Total, RDT&E	39,280.1	35,672.331	33,767.761	35,488.754

CONFERENCE SUMMARY—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION (RDT&E)

[In millions of dollars]

RESEARCH, DEVELOPMENT, TEST & EVALUATION
ARMY

(DOLLARS IN MILLIONS)

				S. 1160 AS PASSED		H.R. 1072 AS PASSED		CONFERENCE	
LINE NO.	PROGRAM ELEMENT	TITLE	FISCAL YEAR 1986 REQUEST	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION
		TECHNOLOGY BASE							
1	61101A	IN-HOUSE LAB INDEPENDENT RESEARCH	25.280		25.280		25.280		25.280
2	61102A	DEFENSE RESEARCH SCIENCES	236.869		236.869		236.869		236.869
3	61103A	UNIVERSITY RESEARCH INITIATIVES	6.126		6.126		6.126		6.126
4	62105A	MATERIALS	12.380		12.380		12.380		12.380
5	62111A	ATMOSPHERIC INVESTIGATIONS	6.896		6.896	-1.000	5.896	-.500	6.396
6	62120A	NUCLEAR WEAPONS EFFECTS/FLUIDICS	8.461		8.461		8.461		8.461
7	62122A	SURVIVABILITY ENHANCEMENT	[ ]		[ ]		[ ]		[ ]
8	62201A	AIRCRAFT WEAPONS TECHNOLOGY	3.321		3.321		3.321		3.321
9	62202A	AIRCRAFT AVIONICS TECHNOLOGY	9.766		9.766	-.766	9.000	-.766	9.000
10	62209A	AERONAUTICAL TECHNOLOGY	31.171		31.171	-1.171	30.000	-.671	30.500
11	62210A	AIRDROP TECHNOLOGY	2.061		2.061		2.061		2.061
12	62303A	MISSILE TECHNOLOGY	31.504		31.504		31.504		31.504
13	62307A	LASER WEAPON TECHNOLOGY	21.392		21.392		21.392		21.392
14	62601A	TANK AND AUTOMOTIVE TECHNOLOGY	22.226		22.226		22.226		22.226
15	62603A	LARGE CAL AND NUCLEAR TECHNOLOGY	[ ]	-8.500	-8.500	-2.000	-2.000	-3.500	-3.500
16	62617A	SMALL CAL AND FIRE CONTROL TECHNOLOGY	12.794		12.794		12.794		12.794
17	62618A	BALLISTICS TECHNOLOGY	48.424		48.424		48.424		48.424
18	62622A	CHEMICAL AND SMOKE MUNITIONS	14.062		14.062		14.062		14.062
19	62623A	JOINT SERVICE SMALL ARMS PROGRAM (JSSAP)	6.542		6.542		6.542		6.542
20	62701A	COMMUNICATIONS TECHNOLOGY	21.403		21.403	-1.000	20.403	-1.000	20.403
21	62703A	COMBAT SURVEIL TARGET ACQUIS AND IDENT	4.407		4.407		4.407		4.407
22	62704A	MILILITARY ENVIRONMENTAL CRITERIA DEV	3.096		3.096		3.096		3.096
23	62705A	ELECTRICAL AND ELECTRONIC DEVICES	22.871		22.871	-1.500	21.371	-1.500	21.371
24	62706A	CHEM/BIO.DEFENSE/GEN INVEST	41.724		41.724	-3.500	38.224	-2.000	39.724
25	62707A	MAPPING--GEODESY	10.364		10.364		10.364		10.364
26	62709A	NIGHT VISION INVESTIGATIONS	22.077		22.077		22.077		22.077
27	62715A	TACTICAL ELECTRONIC WARFARE TECHNOLOGY	[ ]		[ ]		[ ]		[ ]
28	62716A	HUMAN FACTORS ENGINEERING SYSTEM DEV	15.269		15.269	-1.000	14.269		15.269
29	62717A	HUMAN PERFORMANCE EFFECT/SIMULATION	6.788		6.788		6.788		6.788
30	62719A	MOBILITY AND WEAPONS EFFECTS TECHNOLOGY	13.363		13.363	-2.000	11.363	-1.063	12.300
31	62720A	ENVIRONMENTAL QUALITY TECHNOLOGY	8.912		8.912		8.912		8.912

LINE NO.	PROGRAM ELEMENT	TITLE	FISCAL YEAR 1986 REQUEST	S. 1160 AS PASSED CHANGE FROM REQUEST	S. 1160 AS PASSED RECOMMENDATION	H.R. 1872 AS PASSED CHANGE FROM REQUEST	H.R. 1872 AS PASSED RECOMMENDATION	CONFERENCE CHANGE FROM REQUEST	CONFERENCE RECOMMENDATION
32	62722A	MANPOWER/PERSONNEL/TRAINING	8.016		8.016		8.016		8.016
33	62723A	CLOTHING EQUIPMENT AND SHELTER TECH	10.537		10.537		10.537		10.537
34	62724A	JT SERVICE FOOD SYSTEM TECH	6.432		6.432		6.432		6.432
35	62725A	COMPUTER AND INFORMATION SCIENCE	2.216		2.216		2.216		2.216
36	62727A	NONSYSTEMS TRAINING DEVICES TECH (NSTD)	5.103		5.103		5.103		5.103
37	62730A	COLD REGIONS ENGINEERING TECHNOLOGY	6.819		6.819		6.819		6.819
38	62731A	MILITARY FACILITIES ENGINEERING TECH	5.253		5.253		5.253		5.253
39	62733A	MOBILITY EQUIPMENT TECHNOLOGY	13.627		13.627		13.627		13.627
40	62734A	MEDICAL DEFENSE AGAINST CHEMICAL AGENTS	32.309		32.309		32.309		32.309
41	62746A	TACTICAL ADP TECHNOLOGY	9.066		9.066	-3.000	6.066	-1.566	7.500
42	62770A	MILITARY DISEASE HAZARDS TECHNOLOGY	28.990		28.990		28.990		28.990
43	62772A	COMBAT CASUALTY CARE TECHNOLOGY	8.892		8.892		8.892		8.892
44	62775A	COMBAT MAXILLOFACIAL INJURY	2.167		2.167		2.167		2.167
45	62777A	SYSTEMS HEALTH HAZARD PREVENTION TECH	19.461		19.461		19.461		19.461
46	62781A	ENERGY TECH APPLICATIONS FOR MIL FACILITIES	2.230		2.230		2.230		2.230
		CLASSIFIED PROGRAMS	45.765		45.765		45.765		45.765
		SUBTOTAL, TECHNOLOGY BASE	876.432	-8.500	867.932	-16.937	859.495	-12.566	863.866
		ADVANCED TECHNOLOGY DEVELOPMENT							
47	63102A	MATERIALS AND STRUCTURES ADV DEV	14.437		14.437	-1.000	13.437		14.437
48	63104A	FUELS AND LUBRICANTS ADV DEV	3.384		3.384		3.384		3.384
49	63201A	A/C POWER PLANTS AND PROPULSION	21.833		21.833	-2.000	19.833	-2.000	19.833
50	63206A	AIRCRAFT WEAPONS	6.946		6.946		6.946		6.946
51	63207A	AIRCRAFT AVIONICS EQUIPMENT	10.970		10.970		10.970		10.970
53	63211A	ROTARY WING CONTROLS/ROTORS/STRUCTURES	31.104	-13.700	17.404	-14.000	17.104	-14.000	17.104
54	63216A	SYNTHETIC FLIGHT SIMULATORS DEVELOPMENT	12.613		12.613	-1.000	11.613		12.613
55	63218A	AIRDROP ADVANCEMENT	3.854		3.854		3.854		3.854
57	63221A	NOE AVIATION AND NAVIGATION EQUIPMENT	3.089		3.089		3.089		3.089
58	63226A	CLASSIFIED PROJECTS	( )	-31.800	-31.800	-31.756	-31.756	-31.756	-31.756
59	63306A	TERMINALLY GUIDED PROJECTILES	17.409		17.409		17.409		17.409
60	63313A	MISSILE/ROCKET COMPONENTS	42.836		42.836	10.000	52.836	10.000	52.836
62	63322A	BATTLEFIELD ENVIRONMENT SIMULATION	2.570		2.570		2.570		2.570
63	63324A	ARMY DEVELOPMENT AND EMPLOYMENT ACTIVITY	9.705		9.705		9.705		9.705
64	63602A	ADVANCED LAND MOBILITY SYSTEMS CONCEPTS	16.474		16.474		16.474		16.474
65	63606A	LANDMINE WARFARE/BARRIER DEVELOPMENT	11.267		11.267		11.267		11.267
66	63607A	JOINT SERVICE SMALL ARMS PROGRAM (JSSAP)	3.463		3.463		3.463		3.463

LINE NO.	PROGRAM ELEMENT	TITLE	FISCAL YEAR 1986 REQUEST	S. 1160 AS PASSED CHANGE FROM REQUEST	S. 1160 AS PASSED RECOMMENDATION	H.R. 1872 AS PASSED CHANGE FROM REQUEST	H.R. 1872 AS PASSED RECOMMENDATION	CONFERENCE CHANGE FROM REQUEST	CONFERENCE RECOMMENDATION
67	63621A	COMBAT VEHICLE PROPULSION SYSTEM	14.967		14.967	-11.057	3.910	-2.967	12.000
68	63631A	COMBAT VEHICLE TURRET AND CHASSIS SUBSYS	17.036		17.036		17.036		17.036
69	63636A	COMBAT VEHICLE ARMOR/ANTI-ARMOR	11.363		11.363		11.363		11.363
70	63637A	ADV PROPULSION/LAUNCH SYSTEM FOR MUNITIONS	8.233		8.233		8.233		8.233
72	63640A	AMMUNITION LOGISTICS	2.035		2.035		2.035		2.035
73	63710A	NIGHT VISION ADVANCED DEVELOPMENT	33.622		33.622		33.622		33.622
74	63723A	TAC COMM/COMM/COMPUTER (C4) INTEGRATION	31.774		31.774	-4.000	27.774	-2.000	29.774
76	63731A	MANPOWER AND PERSONNEL	16.938		16.938		16.938		16.938
77	63734A	ENGINEERING SYSTEMS	3.450		3.450		3.450		3.450
78	63736A	HUMAN FACTORS ENGINEERING APPLICATIONS	1.961		1.961		1.961		1.961
79	63737A	ANTI-RADIATION MISSILE COURTERMEASURES	[ ]		[ ]		[ ]		[ ]
80	63739A	HUMAN FACTORS IN TRAINING/OPER EFFECT	11.511		11.511		11.511		11.511
81	63742A	ADVANCED ELECTRONIC DEVICES DEVELOPMENT	9.730		9.730		9.730		9.730
82	63743A	EDUCATION AND TRAINING	11.846		11.846		11.846		11.846
83	63744A	TRAINING SIMULATION	5.494		5.494		5.494		5.494
84	63748A	TEST MEASUREMENT AND DIAG EQUIPMENT DEV	7.235		7.235	-1.500	5.735		7.235
85	63749A	TECHNICAL VULNERABILITY REDUCTION	4.305		4.305		4.305		4.305
86	63752A	DEMILITARIZATION CONCEPTS	9.575		9.575		9.575		9.575
87	63756A	DOD SOFTWARE INITIATIVES (STARS)	52.000		52.000	-20.000	32.000	-10.000	42.000
88	63758A	TACTICAL ROBOTIC SYSTEMS	26.496	-10.000	16.496	-6.600	19.896	-10.000	16.496
89	63759A	CHEM/BIO DEFENSE/SMK ADV TECH DEMOS	3.045		3.045		3.045		3.045
90	63761A	EW VULNER/SUSCEPTABILITY TECH SUPPORT	[ ]		[ ]		[ ]		[ ]
91	63762A	EW FEASIBILITY DEVELOPMENTLITY DEVELOPME	8.643		8.643		8.643		8.643
92	63763A	NONSYSTEMS MEDICAL MATERIAL DEVELOPMENT	16.221		16.221		16.221		16.221
93	63764A	MEDICAL/CHEM DEFENSE LIFE SUPPORT MATERIAL	22.612		22.612		22.612		22.612
94	63765A	NONTACTICAL ADP TECHNOLOGY	.218		.218		.218		.218
		CLASSIFIED PROGRAMS	51.084		51.084		51.084		51.084
		SUBTOTAL, ADVANCED TECH DEVELOPMENT	593.348	-55.500	537.848	-82.913	510.435	-62.723	530.625
		STRATEGIC PROGRAMS							
97	12814A	SPECIAL PROGRAM	[ ]		[ ]		[ ]		[ ]
98	12821A	CLASSIFIED PROGRAM	[ ]	-6.000	-6.000	-6.000	-6.000	-6.000	-6.000
99	33152A	WWMCCS INFORMATION SYSTEM	30.914		30.914		30.914		30.914
		CLASSIFIED PROGRAMS	204.743		204.743		204.743		204.743
		SUBTOTAL, STRATEGIC PROGRAMS	235.657	-6.000	229.657	-6.000	229.657	-6.000	229.657

LINE NO.	PROGRAM ELEMENT	TITLE	FISCAL YEAR 1986 REQUEST	S. 1160 AS PASSED CHANGE FROM REQUEST	S. 1160 AS PASSED RECOMMENDATION	H.R. 1872 AS PASSED CHANGE FROM REQUEST	H.R. 1872 AS PASSED RECOMMENDATION	CONFERENCE CHANGE FROM REQUEST	CONFERENCE RECOMMENDATION
		TACTICAL PROGRAMS							
100	63209A	AIR MOBILITY SUPPORT	15.472		15.472	-4.000	11.472		15.472
101	63215A	JOINT SURVIVABILITY INVESTIGATIONS	.900		.900		.900		.900
103	63220A	ADVANCED ROTORCRAFT TECH INTEGRATION (LHX)	75.528	-20.000	55.528	-22.000	53.528	-20.000	55.528
104	63225A	AIRDROP EQUIPMENT SYSTEMS	1.877		1.877		1.877		1.877
105	63302A	ANTI-TACTICAL MISSILE (ATM)	62.760		62.760		62.760		62.760
106	63303A	SURF-TO-SURF MISSILE ROCKET SYSTEM	30.622		30.622		30.622		30.622
107	63604A	NUCLEAR MUNITIONS AND RADIACS	[ ]		[ ]		[ ]		[ ]
108	63608A	WEAPONS AND AMMUNITION	.798		.798		.798		.798
109	63612A	ADVANCED ANTI-TANK WEAPON	81.077	-20.000	61.077	-15.000	66.077	-20.000	61.077
110	63615A	LETHAL CHEMICAL MUNITIONS CONCEPTS	20.387		20.387		20.387		20.387
111	63619A	LANDMINE/BARRIER SYSTEM	28.424	-2.800	25.624	-3.000	25.424	-3.000	25.424
112	63627A	SMOKE MUNITIONS AND MATERIEL CONCEPTS	12.672		12.672	-2.000	10.672	-1.000	11.672
113	63628A	ARTILLERY/MORTAR AMMO DEVELOPMENT	10.157		10.157		10.157		10.157
114	63633A	TANK/FIGHTING VEHICLE AMMO DEVELOPMENT	5.734		5.734		5.734		5.734
115	63635A	MOBILE PROTECTED GUN PROGRAM	9.802	-9.802	0.000	-9.802	0.000	-9.802	0.000
116	63639A	ARMAMENT ENHANCEMENT INITATIVE (AEI)	[ ]		[ ]		[ ]		[ ]
117	63641A	PROGRAM 292	[ ]	-63.600	-63.600	-63.630	-63.630	-63.630	-63.630
118	63702A	ELECTRIC POWER SOURCES	11.258		11.258		11.258		11.258
119	63705A	PHYSICAL SECURITY	4.416		4.416		4.416		4.416
120	63706A	IFF EQUIPMENT DEVELOPMENT	20.693		20.693	-2.000	18.693	-2.000	18.693
121	63709A	COMMUNICATIONS DEVELOPMENT	[ ]		[ ]		[ ]		[ ]
123	63711A	AIRCRAFT SURVIVABILITY EQUIPMENT	8.611		8.611		8.611		8.611
124	63713A	ARMY DATA DISTRIBUTION SYSTEM (ADDS)	38.016		38.016		38.016		38.016
125	63718A	EW VULNERABILITY/SUCEPTABILITY	23.791		23.791		23.791		23.791
126	63720A	CHEM/BIO DETECTION WARN/SAMP MAT CONCEPT	15.192		15.192		15.192		15.192
127	63721A	CHEM/BIO PROTECTIVE MATERIEL CONCEPTS	9.341		9.341		9.341		9.341
129	63725A	REMOTELY PILOTED VEHICLES/DRONES	20.977		20.977	-10.977	10.000	-4.977	16.000
130	63726A	COMBAT SUPPORT EQUIPMENT	28.363		28.363		28.363		28.363
131	63730A	TACTICAL SURVEILLANCE EQUIPMENT	[ ]		[ ]	-2.180	-2.180	-2.180	-2.180
132	63732A	COMBAT MEDICAL MATERIAL	9.379		9.379		9.379		9.379
134	63745A	TAC ELETRONIC SUPPORT MEASURE SYSTEMS	[ ]		[ ]		[ ]		[ ]
135	63746A	SINGLE CHANNEL GRD/ABN RADIO SUB-SYSTEM	2.265		2.265		2.265		2.265
136	63747A	SOLDIER SUPPORT/SURVIVABILITY	6.657		6.657		6.657		6.657
137	63750A	DRUG AND VACCINE DEVELOPMENT	16.932		16.932		16.932		16.932
138	63751A	MEDICAL DEFENSE AGAINST CHEMICAL WARFARE	31.019		31.019		31.019		31.019
139	63754A	CLASSIFIED PROGRAM (ADV)	[ ]		[ ]		[ ]		[ ]

LINE NO.	PROGRAM ELEMENT	TITLE	FISCAL YEAR 1986 REQUEST	S. 1160 AS PASSED		H.R. 1872 AS PASSED		CONFERENCE	
				CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION
140	63755A	TAC ELECTRONIC COUNTERMEASURES SYSTEMS	[ ]		[ ]	-45.483	-45.483	-42.000	-42.000
142	64202A	AIRCRAFT WEAPONS	[ ]		[ ]		[ ]		[ ]
143	63767A	COMBAT SERVICE SUPPORT CONTROL SYSTEM	.980		.980		.980		.980
144	64202A	AIRCRAFT WEAPONS	12.672		12.672		12.672		12.672
145	64204A	AIR MOBILITY SUPPORT EQUIPMENT	2.600		2.600		2.600		2.600
147	64207A	ADVANCED ATTACK HELICOPTER (AH-64)	17.506		17.506		17.506		17.506
148	64216A	AIRCRAFT PROPULSION SYSTEMS	70.791		70.791		70.791		70.791
149	64217A	SYNTHETIC FLIGHT TRAINING SYSTEMS	7.863		7.863		7.863		7.863
150	64218A	AIRDROP EQUIPMENT DEVELOPMENT	3.141		3.141		3.141		3.141
151	64220A	ARMY HELICOPTER IMPROVEMENT PROGRAM	6.802		6.802		6.802		6.802
153	64268A	AIRCRAFT COMPONENT IMPROVEMENT PROGRAM	16.158		16.158		16.158		16.158
154	64306A	STINGER	18.583		18.583	5.000	23.583	5.000	23.583
155	64307A	PATRIOT (SAM-D)	53.070		53.070		53.070		53.070
156	64310A	HELIBORNE MISSILE (HELLFIRE)	6.213		6.213		6.213		6.213
158	64313A	GRASSBLADE	10.878		10.878		10.878		10.878
160	64318A	DIVISION AIR DEFENSE GUN	43.176	-37.000	6.176	-37.000	6.176	-37.000	6.176
161	64321A	JT TACTICAL FUSION PROGRAM	[ ]		[ ]	-18.400	-18.400	-18.400	-18.400
163	64324A	JT TACTICAL MISSILE SYSTEM-ARMY (JTACMS-A)	154.805	-40.000	114.805		154.805	-24.805	130.000
164	64601A	INFANTRY SUPPORT WEAPONS	24.003		24.003		24.003		24.003
165	64603A	NUCLEAR MUNITIONS	[ ]	-3.000	-3.000		[ ]	-1.500	-1.500
166	64604A	MOBILITY	15.486	-15.486	0.000	-10.000	5.486	-10.000	5.486
167	64609A	SMOKE MUNITIONS AND MATERIEL	6.024		6.024		6.024		6.024
168	64612A	COUNTERMINE AND BARRIERS	10.417	-4.800	5.617	.500	10.917	-2.417	8.000
169	64616A	FIGHTING VEHICLE SYSTEM	2.228		2.228		2.228		2.228
170	64619A	LANDMINE WARFARE	7.954		7.954		7.954		7.954
171	64630A	M1 E1 DEVELOPMENT PROGRAM	3.898		3.898	15.000	18.898	15.000	18.898
172	64631A	FIELD ARTILLERY AMMUNITION	62.590	-7.800	54.790		62.590	-7.800	54.790
173	64632A	105MM TANK AMMUNITION	1.543		1.543		1.543		1.543
174	64633A	CACTUS PLANT	[ ]	-8.500	-8.500	-10.000	-10.000	-8.500	-8.500
175	64701A	COMM ENGINEERING DEVELOPMENT	10.716		10.716		10.716		10.716
176	64702A	JT TAC INFORMATION DISTRIBUTION SYSTEM	12.243		12.243		12.243		12.243
177	64704A	UNATTENDED GROUND SENSORS	2.940		2.940	-2.940	0.000	-1.940	1.000
178	64705A	MODULAR INTEGRATED COMM AND NAVIG SYSTEM	5.007		5.007		5.007		5.007
179	64706A	RADIOLOGICAL DEFENSE EQUIPMENT	.664		.664		.664		.664
181	64710A	NIGHT VISION DEVICES	14.567		14.567		14.567		14.567
182	64711A	AIRCRAFT SURVIVABILITY EQUIPMENT	24.777		24.777	-5.000	19.777	-2.277	22.500
183	64712A	ARMY COMM/CONTROL SYSTEM SYSTEM ENG	9.896		9.896		9.896		9.896
184	64713A	COMBAT FEEDING, CLOTHING AND EQUIPMENT	6.461		6.461		6.461		6.461

				S. 1160 AS PASSED		H.R. 1872 AS PASSED		CONFERENCE	
LINE NO.	PROGRAM ELEMENT	TITLE	FISCAL YEAR 1986 REQUEST	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION
185	64714A	TACTICAL ELECTRIC POWER SOURCES	10.122		10.122		10.122		10.122
186	64717A	GENERAL COMBAT SUPPORT	14.822		14.822		14.822		14.822
187	64718A	PHYSICAL SECURITY	6.496		6.496		6.496		6.496
188	64722A	EDUCATION AND TRAINING	6.611		6.611		6.611		6.611
189	64723A	SPECIAL PURPOSE DETECTORS	3.256		3.256		3.256		3.256
190	64724A	CHEM/BIO DETECT WARN AND TRAIN MATERIAL	23.081		23.081		23.081		23.081
191	64725A	CHEM/BIO PROTECTIVE MATERIEL	15.585		15.585		15.585		15.585
192	64727A	COMMAND AND CONTROL	5.799		5.799		5.799		5.799
193	64730A	REMOTELY PILOTED VEHICLES	30.014	-6.900	23.114	-6.900	23.114	-6.900	23.114
194	64740A	TACTICAL SURVEILLANCE SYSTEM	[ ]		[ ]	-17.920	-17.920		[ ]
195	64741A	DIVISION AIR DEFENSE COMMAND AND CONTROL	33.040		33.040		33.040		33.040
196	64746A	AUTOMATIC TEST EQUIPMENT DEVELOPMENT	21.310		21.310		21.310		21.310
197	64750A	TACTICAL ELECTRONIC COUNTERMEASURES SYSTEMS	[ ]		[ ]		[ ]		[ ]
198	64751A	SINGLE CHANNEL GRD/ABN RADIO SUB ENG	12.874		12.874		12.874		12.874
199	64754A	CLASSIFIED PROGRAM (ENG)	[ ]		[ ]		[ ]		[ ]
200	64757A	MEDICAL CHEMICAL DEFENSE LIFE SUPPORT MAT	7.680		7.680		7.680		7.680
201	64758A	DRUG AND VACCINE DEVELOPMENT	10.497		10.497		10.497		10.497
202	64766A	TACTICAL ELECTRONIC SURVEILLANCE SYSTEM	[ ]		[ ]		[ ]		[ ]
203	64770A	JT SURVEIL TARGET ATTACK RADAR SYSTEM	43.818		43.818	-10.000	33.818		43.818
204	64779A	JT INTEROP OF TAC CMD & CONT SYS (JINTACCS)	8.381		8.381		8.381		8.381
205	65710A	JT CB CONTACT POINT TEST AND ASSESSMENT	2.402		2.402		2.402		2.402
206	23724A	HV ANTI-TANK ASSAULT WEAPON SYSTEM (TOW)	11.836		11.836		11.836		11.836
207	23726A	ADV FIELD ARTILLERY TACTICAL DATA SYSTEM	35.574		35.574		35.574		35.574
208	23727A	MED ANTI-TANK ASSAULT WEAPON (H)	3.842		3.842	-3.842	0.000	-.842	3.000
209	23730A	CHAPARRAL	17.666		17.666		17.666		17.666
210	23731A	SAM HAWK/HAWK IMPROVEMENT PROGRAM	5.212		5.212		5.212		5.212
211	23735A	COMBAT VEHICLE IMPROVEMENT PROGRAM	72.743		72.743	-15.101	57.642	-7.743	65.000
213	23740A	MANEUVER CONTROL SYSTEM (MCS)	8.636		8.636		8.636		8.636
215	23743A	155MM SELF-PROPELLED HOWITZER IMPROVEMENTS	26.105		26.105		26.105		26.105
217	23745A	EQUIPMENT UPGRADE	30.805		30.805		30.805		30.805
218	28010A	JT TACTICAL COMMUNICATION PROGRAM (TRI-TAC)	30.560		30.560		30.560		30.560
219	33145A	EUCOM C3 SYSTEMS	1.961		1.961		1.961		1.961
		CLASSIFIED PROGRAMS	615.866		615.866		615.866		615.866
		SUBTOTAL, TACTICAL PROGRAMS	2366.366	-239.688	2126.678	-296.675	2069.691	-278.713	2087.653

LINE NO.	PROGRAM ELEMENT	TITLE	FISCAL YEAR 1986 REQUEST	S. [illegible] AS PASSED		H.R. 1872 AS PASSED		CONFERENCE	
				CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION
		INTELLIGENCE AND COMMUNICATIONS							
220	63712A	MAPPING AND GEODESY	4.205		4.205		4.205		4.205
221	64201A	AIRCRAFT AVIONICS	2.238		2.236		2.233		2.238
222	64716A	MAPPING AND GEODESY	3.430		3.430		3.430		3.430
223	64778A	NAVSTAR GPS (USER EQUIPMENT)	11.271		11.271		11.271		11.271
224	31307A	FOREIGN SCIENCE AND TECHNOLOGY CENTER	[ ]		[ ]		[ ]		[ ]
225	31327A	TECH RECONNAISSANCE/SURVEILLANCE (TECRAS)	[ ]		[ ]		[ ]		[ ]
226	31334A	OTHER COMMAND GDIP ACTIVITIES	[ ]		[ ]		[ ]		[ ]
227	31359A	SPECIAL ARMY PROGRAMS	[ ]		[ ]		[ ]		[ ]
229	33126A	LONG-HAUL COMMUNICATIONS (DCS)	4.312		4.312		4.312		4.312
230	33142A	SATCOM GROUND ENVIRONMENT	26.755	25.991	52.746	32.800	59.555	32.800	59.555
231	33401A	COMMUNICATIONS SECURITY	[ ]		[ ]		[ ]		[ ]
		CLASSIFIED PROGRAMS	16.280		16.280		16.280		16.280
		SUBTOTAL, INTELLIGENCE AND COMMUNICATIONS	68.491	25.991	94.482	32.800	101.291	32.800	101.291
		DEFENSEWIDE MISSION SUPPORT							
232	63315A	TARGET MISSILES	6.051		6.051	-3.000	3.051	-1.051	5.000
233	63738A	NONSYSTEMS TRAINING DEVICES (NSTD) DEV	5.863		5.863		5.863		5.863
234	64715A	NONSYSTEMS TRAINING DEVICES (ENG)	43.636		43.636		43.636		43.636
235	64726A	METEOROLOGICAL EQUIPMENT SYSTEMS	6.447		6.447		6.447		6.447
236	65201A	AVIATION ENGINEERING FLIGHT ACTIVITY	11.720		11.720	-2.000	9.720	-2.000	9.720
237	65301A	KWAJALEIN MISSILE RANGE	161.624	-7.600	154.024	-5.000	156.624	-7.600	154.024
239	65702A	SUPPORT OF DEVELOPMENT TESTING	58.671		58.671	-4.000	54.671	-2.000	56.671
240	65706A	MATERIEL SYSTEMS ANALYSIS	15.930		15.930		15.930		15.930
241	65709A	EXPLOITATION OF FOREIGN ITEMS	3.569		3.569		3.569		3.569
242	65712A	SUPPORT OF OPERATIONAL TESTING	54.855		54.855		54.855		54.855
243	65716A	THREAT SIMULATORS FOR TESTING	36.149		36.149	-8.000	28.149	-3.149	33.000
244	65801A	PROGRAM-WIDE ACTIVITIES	183.766	-15.000	166.766	-5.000	178.766	-10.000	173.766
245	65802A	INTERNATIONAL COOPERATIVE R&D	.947		.947		.947		.947
246	65803A	TECHNICAL INFO ACTIVITIES	6.265		6.265		6.265		6.265
247	65804A	DARCOM MAJOR RANGE/TEST FACILITY	373.054	-10.000	363.054	-23.000	350.054	-16.000	357.054
248	65805A	MUNITIONS--NATO STDZN DOD EFFEC SAFETY STDS	11.626		11.626	-3.000	8.626		11.626

				S. 1160 AS PASSED		H.R. 1872 AS PASSED		CONFERENCE	
LINE NO.	PROGRAM ELEMENT	TITLE	FISCAL YEAR 1986 REQUEST	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION
249	65806A	DOD HIGH ENERGY LASER SYSTEMS TEST FACILITY	20.184		20.184	-12.500	7.684		20.184
251	65872A	PRODUCTIVITY INVESTMENTS	23.335		23.335	-5.000	18.335	-2.335	21.000
252	65898A	MANAGEMENT HEADQUARTERS (R&D)	11.852	-4.000	7.852		11.852		11.852
253	78011A	INDUSTRIAL PREPAREDNESS	104.062	-12.000	92.062	-12.000	92.062	-12.000	92.062
		SUBTOTAL, DEF-WIDE MISSION SUPPORT	1139.606	-48.600	1091.006	-82.500	1057.106	-56.135	1083.471
	------	CERAMIC ROTARY VALVES	0.000		0.000		0.000	(.870)	(.870)
	------	HELLFIRE ON BLACKHAWK	0.000		0.000	20.000	20.000	20.000	20.000
	------	ADV COMPOSITE AIRFRAME PROGRAM	0.000		0.000	5.000	5.000	2.500	2.500
	------	GUARD AND RESERVE UNIQUE RESEARCH	0.000		0.000	10.000	10.000	5.000	5.000
	------	PAVE TIGER/RPV	0.000		0.000	40.000	40.000		0.000
		GEN REDUCTION FOR CONSULTANTS/STUDIES/ANAL	---		---	-10.000	-10.000	-10.000	-10.000
		GENERAL REDUCTION	---	-20.000	-20.000	-10.000	-10.000	-10.000	-10.000
		RESTORATION OF CIVILIAN PAY REDUCTION	---	33.600	33.600		---	33.600	33.600
		CIVILIAN END STRENGTH FREEZE	---	-85.428	-85.428		---		---
		PRIOR YEAR INFLATION SAVINGS	---	-40.000	-40.000	-40.000	-40.000	-40.000	-40.000
		INFLATION REESTIMATE FOR FY 86	---	-4.000	-4.000	-4.000	-4.000	-4.000	-4.000
		PRIOR YEAR PROGRAM SAVINGS	---	-49.000	-49.000	-45.000	-45.000	-45.000	-45.000
		TOTAL, ARMY RDT&E	5279.900	-497.125	4782.775	-486.225	4793.675	-431.237	4848.663

RESEARCH, DEVELOPMENT, TEST & EVALUATION
NAVY

(DOLLARS IN MILLIONS)

LINE NO.	PROGRAM ELEMENT	TITLE	FISCAL YEAR 1986 REQUEST	S. 1160 AS PASSED		H.R. 1872 AS PASSED		CONFERENCE	
				CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION
		TECHNOLOGY BASE							
1	61103N	UNIVERSITY RESEARCH	6.250		6.250		6.250		6.250
2	61152N	IN-HOUSE INDEPENDENT LAB RESEARCH	26.277		26.277		26.277		26.277
3	61153N	DEFENSE RESEARCH SCIENCES	339.176	-10.968	328.208		339.176		339.176
4	62101N	TACTICAL DIRECTED ENERGY TECH	10.834		10.834	-5.265	5.569	-3.834	7.000
5	62241N	AIRCRAFT TECHNOLOGY	23.102		23.102		23.102		23.102
6	62331N	MISSILE PROPULSION TECH	10.503		10.503		10.503		10.503
7	62332N	SURF/AEROSPACE WEAPONRY TECH	27.218		27.218		27.218		27.218
8	62542N	NUCLEAR PROPULSION TECH	49.018		49.018		49.018		49.018
9	62543N	SHIP AND SUBMARINE TECH	25.272		25.272		25.272		25.272
10	62633N	UNDERSEA WARFARE WEAPONRY TECH	44.181		44.181		44.181		44.181
11	62711N	UNDERSEA TARGET SURV TECH	44.495		44.495		44.495		44.495
12	62712N	SURF/AEROSPACE TARGET SURV TECH	32.240		32.240		32.240		32.240
13	62721N	COMMAND AND CONTROL TECH	28.943	-4.500	24.443		28.943	-4.500	24.443
14	62734N	COUNTERMEASURES TECH	27.005		27.005		27.005		27.005
15	62744N	MC AIR-GROUND TECHNOLOGY	18.499	-4.000	14.499		18.499	-4.000	14.499
16	62757N	HUMAN FACTORS AND SIM TECH	7.652		7.652		7.652		7.652
17	62758N	BIOMEDICAL TECH	8.906		8.906		8.906		8.906
18	62759N	OCEAN AND ATMOS SUPT TECH	27.095		27.095		27.095		27.095
19	62760N	LOGISTICS TECH	13.311		13.311		13.311		13.311
20	62761N	MATERIALS TECH	33.004		33.004		33.004		33.004
21	62762N	ELEX DEVICE TECH	24.898		24.898		24.898		24.898
22	62763N	PERSONNEL AND TRAINING TECH	5.062		5.062		5.062		5.062
23	62764N	CHEMICAL/BIO/RADIOLOGICAL DEFENSE TECH	4.765		4.765		4.765		4.765
25	62766N	LAB INDEPENDENT EXPLORATORY DEV	15.463		15.463		15.463		15.463
		SUBTOTAL, TECHNOLOGY BASE	853.169	-19.468	833.701	-5.265	847.904	-12.334	840.835

LINE NO.	PROGRAM ELEMENT	TITLE	FISCAL YEAR 1986 REQUEST	S. 1160 AS PASSED CHANGE FROM REQUEST	S. 1160 AS PASSED RECOMMENDATION	H.R. 1872 AS PASSED CHANGE FROM REQUEST	H.R. 1872 AS PASSED RECOMMENDATION	CONFERENCE CHANGE FROM REQUEST	CONFERENCE RECOMMENDATION
		ADVANCED TECHNOLOGY DEVELOPMENT							
27	63202N	AVIONICS	4.909		4.909	-1.000	3.909	-.409	4.500
28	63207N	AIR/OCEAN TACTICAL APPLICATIONS	8.946		8.946		8.946		8.946
29	63210N	ADV A/C PROPULSION SYSTEM	8.841		8.841	-8.841	0.000	-5.841	3.000
30	63216N	AVIATION LIFE SUPPORT SYSTEM	1.377		1.377		1.377		1.377
31	63217N	ADV A/C SUBSYSTEMS	4.684		4.684		4.684		4.684
32	63303N	ERASE	10.149		10.149		10.149		10.149
33	63306N	ASM TECH	8.973	-8.973	0.000	-7.000	1.973	-7.000	1.973
35	63508N	SHIP PROPULSION SYS (ADV)	30.664		30.664		30.664		30.664
36	63526N	ADVANCED COMPUTER TECH	14.555	-3.341	11.214	-2.500	12.055	-2.500	12.055
37	63573N	ELECTRIC DRIVE	9.762		9.762	-9.762	0.000		9.762
38	63609N	CONVENTIONAL MUNITIONS	30.334	-2.000	28.334	-5.000	25.334	-5.000	25.334
39	63654N	JOINT SERVICE EOD DEVELOPMENT (ADV)	10.898		10.898	-2.000	8.898		10.898
40	63701N	HUMAN FACTORS ENG DEVEL	2.116		2.116		2.116		2.116
41	63704N	ASW OCEANOGRAPHY	6.376		6.376		6.376		6.376
42	63706N	MEDICAL DEVELOPMENT (ADV)	14.653	-4.000	10.653		14.653		14.653
43	63707N	MANPOWER CONTROL SYSTEM DEV	4.099	-1.000	3.099		4.099		4.099
44	63709N	ADVANCED MARINE BIOLOGICAL SYSTEM	5.477		5.477		5.477		5.477
45	63712N	GENERIC LOGISTICS R&D	8.886	-8.886	0.000	-1.000	7.886	-3.886	5.000
46	63713N	OCEAN ENG TECH DEVELOPMENT	13.083		13.083		13.083		13.083
47	63720N	EDUCATION AND TRAINING	4.667	-1.500	3.167		4.667		4.667
48	63721N	ENVIRONMENTAL PROTECTION	8.347		8.347		8.347		8.347
49	63722N	NAVAL SPECIAL WARFARE	11.862		11.862		11.862		11.862
52	63732N	ADVANCED MANPOWER TRAINING SYSTEM	6.144		6.144		6.144		6.144
53	63733N	TRAINING DEVICE TECH	8.679		8.679		8.679		8.679
54	63739N	NAVAL LOGISTICS PRODUCTIVITY	.968		.968		.968		.968
		SUBTOTAL, ADVANCED TECH DEVELOPMENT	239.449	-29.700	209.749	-37.103	202.346	-24.636	214.813
		STRATEGIC PROGRAMS							
56	63451N	SPACE TECHNOLOGY	14.002	-9.002	5.000		14.002		14.002
61	64363N	TRIDENT II	2165.615		2165.615	-65.615	2100.000	-35.000	2130.615
62	65856N	STRATEGIC TECH SUPPORT	3.882		3.882		3.882		3.882
63	11221N	FBM SYSTEM	33.550		33.550		33.550		33.550
64	11224N	SSBN SECURITY PROGRAM	38.591		38.591		38.591		38.591
65	11228N	TRIDENT I	47.195	-5.000	42.195	-17.195	30.000	-9.000	38.195

				S. 1160 AS PASSED		H.R. 1872 AS PASSED		CONFERENCE	
LINE NO.	PROGRAM ELEMENT	TITLE	FISCAL YEAR 1986 REQUEST	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION
66	11401N	ELF COMMUNICATIONS	28.283		28.283	-13.283	15.000		28.283
67	11402N	NAVY STRATEGIC COMMUNICATIONS	125.839		125.839	-86.301	39.538		125.839
68	12427N	NAV SPASUR	.954		.954		.954		.954
69	33131N	MEECN	1.615		1.615		1.615		1.615
70	33152N	WIS MODERNIZATION	22.504	-10.000	12.504	-5.504	17.000	-7.504	15.000
		SUBTOTAL, STRATEGIC PROGRAMS	2482.030	-24.002	2458.028	-187.898	2294.132	-51.504	2430.526
		TACTICAL PROGRAMS							
71	63206N	AIRBORNE ELECTRONIC WARFARE EQUIPMENT	61.587		61.587	-61.587	0.000		61.587
72	63208N	T45-TS	114.128		114.128		114.128		114.128
76	63228N	CV ASW MODULE	5.022	-.763	4.259		5.022	-.763	4.259
77	63251N	A/C SYSTEMS (ADV)	5.894		5.894		5.894		5.894
78	63254N	AIR ASW	6.778	-2.000	4.778		6.778	-2.000	4.778
79	63256N	JVX	603.743		603.743	-50.000	553.743	-20.000	583.743
80	63257N	A-6E IMPROVEMENTS	237.952	-50.000	187.952		237.952		237.952
82	63260N	AIRBORNE MINE COUNTERMEASURES	14.148		14.148		14.148		14.148
83	63261N	TACTICAL AIR RECONNAISSANCE	6.906		6.906	-4.400	2.506		6.906
84	63262N	A/C SURVIVABILITY AND VULNERABILITY	14.825		14.825		14.825		14.825
87	63315N	RETRACT YELLOW	25.728	-20.728	5.000		25.728	-20.728	5.000
88	63318N	ADVANCED SURFACE-TO-AIR MISSILE (ASAM)	41.510		41.510	-41.510	0.000	-16.510	25.000
89	63320N	LOW-COST ANTI-RADIATION SEEKER	16.523		16.523	8.477	25.000	1.000	17.523
90	63367N	SUBMARINE ASW STANDOFF WEAPON	75.328	-25.000	50.328		75.328		75.328
91	63382N	BGAAWC	11.183		11.183		11.183		11.183
92	63502N	SURFACE MCM	24.908		24.908		24.908		24.908
93	63504N	SUB SONAR DEVELOPMENT (ADV)	22.414	-9.908	12.506		22.414	-9.908	12.506
94	63506N	SURFACE SHIP TORPEDO DEFENSE	45.199		45.199	-5.000	40.199	-5.000	40.199
96	63512N	CATAPULTS	3.418		3.418	-3.418	0.000	-3.418	0.000
97	63513N	SHIPBOARD SYSTEM COMP DEVELOPMENT	21.427	-6.000	15.427		21.427	-6.000	15.427
98	63514N	SHIPBOARD DAMAGE CONTROL	32.320		32.320	-11.500	20.820		32.320
101	63519N	ADVANCED COMMAND DATA SYSTEM	2.595	-2.595	0.000		2.595	-2.595	0.000
102	63522N	SUB ARCTIC WARFARE/SUPPORT EQUIPMENT PR	9.748		9.748		9.748		9.748
103	63525N	PILOT FISH	93.964		93.964		93.964		93.964
104	63528N	NON-ACOUSTIC ASW	22.104		22.104		22.104		22.104
105	63529N	ADVANCED ASW TARGET	12.646		12.646		12.646		12.646
106	63532N	SHIP SYSTEM ENGINEERING STANDARDS	4.673	-.673	4.000		4.673		4.673
107	63536N	RETRACT JUNIFER	25.368		25.368		25.366		25.368

LINE NO.	PROGRAM ELEMENT	TITLE	FISCAL YEAR 1986 REQUEST	S. 1160 AS PASSED CHANGE FROM REQUEST	S. 1160 AS PASSED RECOMMENDATION	H.R. 1872 AS PASSED CHANGE FROM REQUEST	H.R. 1872 AS PASSED RECOMMENDATION	CONFERENCE CHANGE FROM REQUEST	CONFERENCE RECOMMENDATION
109	63542N	RADIOLOGICAL CONTROL	3.585	-1.389	2.196		3.585	-1.389	2.196
110	63550N	LINK DOGWOOD	26.247		26.247		26.247		26.247
111	63553N	SURFACE ASW	17.649		17.649		17.649		17.649
112	63560N	SUB HULL ARRAY DEV (ADV)	13.206	-4.995	8.211		13.206	-4.995	8.211
113	63561N	ADVANCED SUB SYSTEM DEVELOPMENT	180.586		180.566		180.586		180.586
114	63562N	SUB TACTICAL WARFARE SYSTEM (ADV)	23.171		23.171		23.171		23.171
115	63564N	SHIP DEVELOPMENT (ADV)	14.639		14.639	-.982	13.657	-.982	13.657
116	63565N	SURFACE SHIP NAVIGATION SYSTEM	2.841		2.841	-2.841	0.000		2.841
118	63569N	ATTACK SUBMARINE DEVELOPMENT	33.139		33.139		33.139		33.139
119	63570N	ADVANCED NUCLEAR REACTOR COMP SYSTEM DEV	120.175		120.175		120.175		120.175
120	63571N	SHIPBOARD PHYSICAL SECURITY	3.703		3.703		3.703		3.703
121	63576N	CHALK EAGLE	68.783		68.783		68.783		68.783
122	63578N	A4W/A1G NUCLEAR PROPULSION PLANT	3.327		3.327		3.327		3.327
123	63582N	COMBAT SYSTEM INTEGRATION	22.383		22.383		22.383		22.383
124	63589N	DDG-51	100.836		100.836	-15.836	85.000	-11.836	89.000
125	63591N	JOINT ADVANCED SYSTEMS	132.348		132.348	-132.348	0.000	-132.348	0.000
126	63601N	MINE DEVELOPMENT	1.964		1.964	5.000	6.964	2.500	4.464
127	63610N	ALWT (ADV)	10.113		10.113	-10.113	0.000	-3.113	7.000
128	63611M	MC ASSAULT VEHICLES	10.407		10.407	4.000	14.407	4.000	14.407
129	63634N	TACTICAL NUCLEAR DEVELOPMENT	9.721		9.721		9.721		9.721
130	63635M	GROUND COMBAT/SUPPORT ARMS SYSTEM	17.129		17.129	-4.000	13.129	-1.000	16.129
131	63702N	OCEAN ENGINEERING SYSTEM DEV	1.380		1.380		1.380		1.380
133	63708N	ANTI SUBMARINE WARFARE SIGNAL PROC	15.535		15.535		15.535		15.535
134	63711N	FLEET TACTICAL D&E PROGRAM	3.880		3.880	-3.880	0.000	-1.880	2.000
135	63717N	COMMAND & CONTROL SYS (ADV)	42.973	-7.000	35.973	-17.973	25.000	-12.500	30.473
136	63719N	CONTAINER OFFLOAD AND TRANSFER SYSTEM	1.515		1.515		1.515		1.515
137	63724N	NAVY ENERGY PROGRAM (ADV)	18.576		18.576		18.576		18.576
138	63725N	FACILITIES IMPROVEMENT	7.279		7.279		7.279		7.279
139	63726N	MERSHIP NAVY AUXILIARY PROGRAM	6.031		6.031		6.031		6.031
140	63729M	COMBAT SERVICES SUPPORT (ADV)	9.356		9.356		9.356		9.356
141	63730M	MC INTEL/ELECTRONIC WARFARE SYSTEM	.070		.070		.070		.070
142	63734N	CHALK CORAL	3.039		3.039		3.039		3.039
144	63737N	LINK HAZEL	23.564		23.564		23.564		23.564
145	63740N	LINK LAUREL	35.345		35.345		35.345		35.345
146	63743N	ARIADNE	2.185		2.185		2.185		2.185
147	63744N	LINK SPRUCE	67.352	-17.352	50.000	-67.352	0.000	-32.352	35.000
148	63746N	RETRACT MAPLE	8.247		8.247		8.247		8.247
149	63763N	NCCS SE&I	7.181		7.181		7.181		7.181

				S. 1160 AS PASSED		H.R. 1872 AS PASSED		CONFERENCE	
LINE NO.	PROGRAM ELEMENT	TITLE	FISCAL YEAR 1986 REQUEST	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION
150	63784N	ASW SURVEILLANCE	19.458	-2.000	17.458		19.458	-2.000	17.458
151	63785N	LRAP	15.678		15.678		15.678		15.678
152	63787N	SPECIAL PROCESSES	49.532		49.532		49.532		49.532
153	63788N	RDSS	15.380	-15.380	0.000	-15.380	0.000	-15.380	0.000
154	64203N	AVIONICS DEVELOPMENT	14.965		14.965		14.965		14.965
155	64211N	IFF SYSTEM DEVELOPMENT	17.477		17.477		17.477		17.477
156	64212N	LAMPS III	16.006	-1.906	14.100		16.006	-1.906	14.100
157	64213N	HELICOPTER DEVELOPMENT	7.902		7.902		7.902		7.902
158	64214N	AV8B (ENG)	72.078		72.078		72.078		72.078
159	64215N	SUPPORT EQUIPMENT	16.428		16.428		16.428		16.428
160	64217N	S-3 WEAPON SYSTEM IMPROVEMENT	15.955		15.955		15.955		15.955
161	64218N	AIR OCEAN EQUIPMENT ENG	2.468		2.468		2.468		2.468
162	64219N	AIRBORNE ASW DEVELOPMENT	6.136		6.136		6.136		6.136
163	64220N	A/C IR SIGN SUPPRESSION	3.945		3.945	-3.945	0.000	-1.945	2.000
164	64221N	P-3 MODERNIZATION PROGRAM	48.725	-6.000	42.725	-15.725	33.000	-6.000	42.725
165	64224N	AIRBORNE ELECTRONIC WARFARE ENG	62.298		62.298		62.298		62.298
167	64226N	ASPJ	24.985		24.965		24.985		24.985
169	64229N	CV IZ ASW HELO	12.722		12.722		12.722		12.722
170	64252N	A/C PROPULSION (ENG)	44.866		44.866		44.866		44.866
171	64255N	ELECTRONIC WARFARE SIMULATOR DEVELOPMENT	40.275		40.275	-18.275	22.000	-4.275	36.000
172	64260N	C/MH-53E	2.300		2.300		2.300		2.300
173	64261N	ACOUSTIC SEARCH SENSORS (ENG)	42.630	-12.000	30.630	-6.000	36.630	-12.000	30.630
174	64264N	AVIATION LIFE SUPPORT SYSTEM	32.809		32.809	-12.809	20.000	-2.809	30.000
176	64268N	A/C ENGINES COMPONENT IMPROVEMENT PROGRAM	65.843		65.843		65.843		65.843
177	64301N	MK92 FCS UPGRADE	13.326		13.326		13.326		13.326
178	64303N	AEGIS AREA AIR DEFENSE	11.081		11.081		11.081		11.081
179	64307N	CG-47 PRODUCT IMPROVEMENT	48.506	-10.000	38.506		48.506	-4.000	44.506
180	64308N	LINK ASH	13.636		13.636		13.636		13.636
181	64314N	AMRAAM	17.051	-8.051	9.000	-17.051	0.000	-12.051	5.000
183	64353N	VERTICAL LAUNCHING SYSTEM	29.566		29.566		29.566		29.566
184	64354N	AAM SYSTEMS ENGINEERING	13.589		13.589		13.589		13.589
185	64355N	VLS ASROC	37.444		37.444	-10.144	27.300		37.444
186	64358N	CIWS (PHALANX)	7.612		7.612		7.612		7.612
187	64361N	NATO SEA SPARROW	8.047	-5.000	3.047	-8.047	0.000	-5.000	3.047
188	64365N	SM-2 (N)	9.756	-5.000	4.756		9.756	-2.500	7.256
189	64366N	STANDARD MISSILE IMPROVEMENTS	47.185		47.185	12.815	60.000		47.185
190	64367N	TOMAHAWK	68.798		68.798	-25.798	43.000	-5.798	63.000
191	64369N	5" ROLLING AIR FRAME MISSILE	10.948	-7.000	3.946	-10.948	0.000	-7.000	3.948

LINE NO.	PROGRAM ELEMENT	TITLE	FISCAL YEAR 1986 REQUEST	S. 1160 AS PASSED		H.R. 1872 AS PASSED		CONFERENCE	
				CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION
192	64370N	SSN-688 VLS	25.699		25.699		25.699		25.699
194	64372N	NEW THREAT UPGRADE	54.034	-54.034	0.000		54.034		54.034
195	64502N	SUBMARINE COMMUNICATIONS	4.426		4.426		4.426		4.426
196	64503N	SUB SONAR DEVELOPMENT (ENG)	40.299		40.299		40.299		40.299
197	64504N	AIR CONTROL ENG	20.335		20.335		20.335		20.335
198	64506N	BR/CW COUNTERMEASURES	6.079		6.079		6.079		6.079
199	64507N	ENSP	99.277		99.277		99.277		99.277
200	64508N	RADAR SURVEILLANCE EQUIPMENT	6.330		6.330		6.330		6.330
201	64509N	ADVANCED TACTICAL RAD	2.909		2.909		2.909		2.909
203	64511N	INTELLIGENCE SYSTEMS	.901		.901		.901		.901
204	64515N	SUB SURVEILLANCE EQUIPMENT PROGRAM (ENG)	19.429	-4.000	15.429		19.429	-4.000	15.429
205	64516N	SHIP SURVIVABILITY	5.904		5.904		5.904		5.904
206	64518N	CIC CONVERSION	29.204		29.204		29.204		29.204
207	64520N	SUB HULL ARRAY DEV (ENG)	25.974		25.974		25.974		25.974
208	64524N	SUBACS (ENG)	205.205		205.205	-205.205	0.000	-205.205	0.000
	------	SSN-21 COMBAT ENG SUPPORT (ADV & ENG)	0.000		0.000	190.000	190.000	200.000	200.000
211	64562N	SUB TACTICAL WARFARE SYSTEMS (ENG)	49.798	-12.000	37.798		49.798	-12.000	37.798
212	64563N	SHIPBOARD PHYSICAL SECURITY (ENG)	4.617		4.617		4.617		4.617
213	64567N	SHIP SUBSYSTEM DEVELOPMENT/LBTS	89.418	-2.000	87.418	-17.418	72.000	-9.418	80.000
214	64569N	NATO SEA GNAT	2.284		2.284		2.284		2.284
215	64573N	SHIPBOARD EW IMPROVEMENT	63.776		63.776		63.776		63.776
216	64574N	TACTICAL EMBEDDED COMPUTER PROGRAM	19.169	-10.000	9.169	-16.812	2.357	-10.000	9.169
217	64575N	AN/SQS-53C	37.713		37.713		37.713		37.713
218	64578N	LINK BIRCH	4.078		4.078		4.078		4.078
219	64601N	MINE DEVELOPMENT (ENG)	9.367		9.367		9.367		9.367
220	64602N	NAVAL GUNNERY IMPROVEMENT	15.870	-8.000	7.870	-4.000	11.870	-6.000	9.870
221	64603N	UNGUIDED CONVENTIONAL AIR-LAUNCHED WEAPONS	4.678		4.678		4.678		4.678
223	64608N	SAL GP/ED SENS DEVEL	48.717	-25.800	22.917	-4.000	44.717	-4.000	44.717
224	64609N	BOMB-FUZE IMPROVEMENT	5.672		5.672		5.672		5.672
225	64610N	MK-50 TORPEDO (ALWT)	158.290		158.290		158.290		158.290
226	64654N	JOINT SERVICE EOD DEVELOPMENT (ENG)	4.405		4.405		4.405		4.405
227	64656M	MC ASSAULT VEHICLES	45.653	-15.000	30.653	-28.851	16.802	-24.851	20.802
228	64657M	GROUND COMBAT/SUPPORT ARMS SYSTEM	8.686		8.686		8.686		8.686
229	64675N	MK-48 ADCAP (ENG)	63.470		63.470		63.470		63.470
230	64704N	ASW OCEANOGRAPHIC EQUIPMENT	.506		.506		.506		.506
231	64705N	CHALK BANYAN	5.826		5.826		5.826		5.826
232	64710N	NAVY ENERGY PROGRAM (ENG)	9.799		9.799		9.799		9.799
233	64711N	COMMAND & CONTROL SYSTEM (ENG)	66.173	-17.000	49.173		66.173	-17.000	49.173

LINE NO.	PROGRAM ELEMENT	TITLE	FISCAL YEAR 1986 REQUEST	S. 1160 AS PASSED		H.R. 1872 AS PASSED		CONFERENCE	
				CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION
234	64713N	TACTAS (AN-SQR-19)	16.200		16.200	-16.200	0.000	-6.200	10.000
236	64715N	SURFACE WARFARE TRAINING DEVELOPMENT	25.821		25.821		25.821		25.821
238	64717M	COMBAT SERVICES SUPPORT	3.638		3.638		3.638		3.638
239	64718M	INTEL/ELECT WARFARE SYSTEM	14.159		14.159	-1.000	13.159		14.159
240	64719M	COMMAND/CONTROL/COMMUNICATION SYSTEM	18.906		18.906		18.906		18.906
242	64725N	REGIONAL TACTICAL SURVEILLANCE	56.225		56.225		56.225		56.225
243	64761N	INTELLIGENCE (ENG)	12.421	-4.000	8.421		12.421		12.421
244	64771N	MEDICAL DEVELOPMENT (ENG)	1.380		1.380		1.380		1.380
245	64779N	JINTACCS	5.622		5.622		5.622		5.622
246	64780M	JINTACCS MC	2.945		2.945		2.945		2.945
248	65155N	FLEET TACTICAL D&E	17.197	-3.000	14.197		17.197	-3.000	14.197
249	65803N	EMI AND SPECTRUM CONTROL	3.870		3.870		3.870		3.870
250	65853N	MANAGEMENT AND TECH SUPPORT	11.063	-3.000	8.063	-2.000	9.063	-3.000	8.063
251	65867N	C2 SURVEILLANCE/RECONNAISSANCE SUPPORT	3.979		3.979		3.979		3.979
252	65871M	MC TACTICAL EXPLOIT NAT CAP	.415		.415		.415		.415
253	24134N	A-6 SQUADRONS	19.205		19.205	-1.263	17.942	-.705	18.500
254	24136N	F/A-18 SQUADRONS	58.314	20.000	78.314	-28.314	30.000	6.686	65.000
255	24152N	EARLY WARNING AIRCRAFT SQUADRONS	23.666		23.666		23.666		23.666
256	24161N	AVIATION SUPPORT CVW	1.785		1.785		1.785		1.785
257	24163N	FLEET TELECOMMUNICATIONS (TAC)	72.697	-22.697	50.000	-40.293	32.404	-31.697	41.000
259	24281N	SUBMARINES	3.756		3.756		3.756		3.756
261	24311N	UNDERSEA SURVEILLANCE SYSTEM	25.217		25.217		25.217		25.217
262	24313N	SURTASS	2.186		2.186		2.186		2.186
263	24571N	SPECIAL PROJECTS	20.513		20.513		20.513		20.513
264	24573N	NAVY COVER & DECEPTION PROGRAM	25.584		25.584		25.584		25.584
265	24575N	ELECTRONIC WARFARE SUPPORT	8.573		8.573		8.573		8.573
266	24576N	COUNTER C3 DEVELOPMENT	22.563		22.563		22.563		22.563
267	25601N	HARM IMPROVEMENT	2.636		2.636		2.636		2.636
268	25604N	JVIDS	184.646		184.646	-184.646	0.000	-184.646	0.000
269	25620N	ASW COMBAT SYSTEM INTEGRATION	12.271		12.271		12.271		12.271
271	25633N	AIRCRAFT EQUIP RELY/MAINTAIN PROGRAM	7.852		7.852		7.852		7.852
272	25634N	SUBMARINE SILENCING	31.638		31.638		31.638		31.638
273	25645N	MODULAR GUIDED WEAPON IMPROVEMENT	7.682	-7.682	0.000	-7.682	0.000	-7.682	0.000
274	25653N	LAB FLEET SUPPORT	6.158		6.158		6.158		6.158
276	25667N	F-14D	348.065		348.065		348.065		348.065
277	25670N	TACTICAL INTELL PROC SUPPORT	1.456		1.456		1.456		1.456
278	25674N	EW COUNTER-RESPONSE	80.168		80.168	-1.964	78.204		80.168
279	25675N	OPERATIONAL REACTOR DEVELOPMENT	12.719		12.719		12.719		12.719

				S. 1160 AS PASSED		H.R. 1872 AS PASSED		CONFERENCE	
LINE NO.	PROGRAM ELEMENT	TITLE	FISCAL YEAR 1986 REQUEST	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION
280	26313M	MARINE CORPS TELECOMMUNICATIONS	3.587		3.587		3.587		3.587
281	26623M	GROUND COMBAT/SUPPORT ARMS SYSTEM	43.600		43.600	-3.600	40.000	-1.800	41.800
262	26624M	COMBAT SERVICES SUPPORT	1.449		1.449		1.449		1.449
283	26625M	INTEL/ELECT WARFARE SYSTEM	1.163		1.163		1.163		1.163
284	26626M	COMMAND/CONTROL/COMMUNICATION SYSTEM	39.064		39.064		39.064		39.064
285	26627M	M/C TECH SUPPORT C/C SYSTEM	4.094		4.094		4.094		4.094
286	28010M	TRI-TAC-MC	11.939		11.939		11.939		11.939
	------	NAVAL OCEANOGRAPHY	0.000	5.900	5.900		0.000	5.900	5.900
	------	GENERAL REDUCTION FOR EW PROGRAMS	---		---		---	-30.000	-30.000
		SUBTOTAL, TACTICAL PROGRAMS	6160.962	-383.053	5777.909	-919.818	5241.144	-713.099	5447.863
		INTELLIGENCE AND COMMUNICATIONS							
288	63518N	ADVANCED NAVIGATION DEVELOPMENT	1.941		1.941		1.941		1.941
289	64514N	NAVIGATION SYSTEMS	.920		.920		.920		.920
290	64577N	EHF SATCOM	45.437		45.437	-11.437	34.000	-5.737	39.700
291	64777N	NAVSTAR GPS	70.079	-8.000	62.079	-5.000	65.079	-8.000	62.079
292	65866N	C2 SYSTEMS PLAN/ENG SUPPORT	5.466		5.466		5.466		5.466
293	31303N	FIELD OPERATIONS INTELLIGENCE OFFICE	[ ]		[ ]		[ ]		[ ]
294	31326N	PRAIRIE SCHOONER	[ ]		[ ]		[ ]		[ ]
295	31327N	TECH RECONNAISSANCE AND SURVEILLANCE	[ ]		[ ]		[ ]		[ ]
296	33109N	SATELLITE COMMUNICATIONS	17.973		17.973	13.283	31.256	5.000	22.973
298	33401N	COMSEC	[ ]		[ ]		[ ]		[ ]
299	33603N	MILSTAR JOINT PROJECT OFFICE	4.418		4.418		4.418		4.418
300	34111N	SPECIAL ACTIVITIES	[ ]	-50.000	-50.000	-142.800	-142.800	-100.000	-100.000
		CLASSIFIED PROGRAMS	557.773		557.773		557.773		557.773
		SUBTOTAL, INTEL AND COMMUNICATIONS	704.007	-58.000	646.007	-145.954	558.053	-108.737	595.270
		DEFENSEWIDE MISSION SUPPORT							
301	64208N	RANGE INSTRUMENTATION AND SYSTEM DEV	8.382		8.382		8.382		8.382
302	64258N	TARGET SYSTEMS DEVELOPMENT	109.012	-10.000	99.012		109.012	-10.000	99.012
303	64703N	TRAINING AND PERSONNEL SYSTEM DEVELOPMEN	3.086		3.086		3.086		3.086
304	65151M	STUDIES AND ANALYSES SUPPORT/MC	1.785		1.785		1.785		1.785
305	65152N	STUDIES AND ANALYSES SUPPORT/NAVY	3.977		3.977		3.977		3.977
306	65153M	MCOAG	3.714		3.714		3.714		3.714

LINE NO.	PROGRAM ELEMENT	TITLE	FISCAL YEAR 1986 REQUEST	S. 1160 AS PASSED CHANGE FROM REQUEST	S. 1160 AS PASSED RECOMMENDATION	H.R. 1872 AS PASSED CHANGE FROM REQUEST	H.R. 1872 AS PASSED RECOMMENDATION	CONFERENCE CHANGE FROM REQUEST	CONFERENCE RECOMMENDATION
307	65154N	CENTER FOR NAVAL ANALYSIS/NAVY	21.813	-5.771	16.042		21.813	-2.813	19.000
308	65156M	MC OPERATIONAL T&E	2.317		2.317		2.317		2.317
310	65804N	TECH INFORMATION SERVICES	2.744	-.500	2.244		2.744	-.500	2.244
311	65852N	AUTEC	51.914	-8.717	43.197	-4.000	47.914	-8.717	43.197
312	65854N	DEVELOPMENT CENTER SUPPORT	3.958		3.958		3.958		3.958
313	65857N	INTERNATIONAL RDT&E	2.436	-.600	1.836		2.436	-.600	1.836
314	65859N	MOBILE SEA RANGE	5.268		5.268		5.268		5.268
315	65861N	RDT&E LAB AND FAC MANAGEMENT SUPPORT	66.278	-9.500	56.778		66.278	-8.278	58.000
316	65862N	RDT&E INSTRUMENTATION AND MATERIAL SUPPORT	20.321	-1.500	18.821		20.321	-1.000	19.321
317	65863N	RDT&E SHIP AND AIRCRAFT SUPPORT	84.293	-6.000	78.293		84.293	-6.000	78.293
318	65864N	TEST AND EVALUATION SUPPORT	294.480		294.480		294.480		294.480
319	65865N	OT&E CAPABILITY	6.503		6.503		6.503		6.503
320	65872N	PRODUCTIVITY IMPROVEMENT	2.855	-2.855	0.000	-2.855	0.000	-2.855	0.000
321	35111N	WEATHER SERVICE	1.146		1.146		1.146		1.146
322	35160N	DEF METEOROLOGICAL SATELLITE PROGRAM	55.975	-25.000	30.975		55.975		55.975
323	78011N	MANUFACTURING TECHNOLOGY	72.426	-17.426	55.000	-22.000	50.426	-20.426	52.000
		SUBTOTAL, DEF-WIDE MISSION SUPPORT	824.683	-87.869	736.814	-28.855	795.828	-61.189	763.494
	------	TAIL CONTROL SPARROW	0.000		0.000		0.000	25.000	25.000
	------	ASW SHIPBOARD TRAINER	0.000		0.000	(6.800)	(6.800)	6.800	6.800
	------	BATTLEGROUP QUICK REACTION SURVEIL SYSTEM	0.000		0.000	12.000	12.000	12.000	12.000
	------	WALLOPS ISLAND TEST RANGE	0.000		0.000	10.000	10.000	4.000	4.000
	------	SKIPPER/PRACTICE BOMB	0.000		0.000	10.000	10.000	10.000	10.000
	------	5"/155MM GUIDED PROJECTILE COMPETITION	0.000		0.000	2.500	2.500	2.500	2.500
	------	CLASSIFIED PROGRAM	[ ]		[ ]	1.500	1.500	1.500	1.500
		UNDISTRIBUTED REDUCTION	---		---	-37.500	-37.500	-37.500	-37.500
		GEN REDUCTION CONSULTANTS/STUDIES/ANALY	---		---	-20.000	-20.000	-20.000	-20.000
		GENERAL REDUCTION	---		---	-86.301	-86.301		---
		RESTORATION OF CIVILIAN PAY REDUCTION	---	3.300	3.300		---	3.300	3.300
		CIVILIAN END STRENGTH FREEZE	---	-2.952	-2.952		---		---
		PRIOR YEAR INFLATION SAVINGS	---	-60.000	-60.000	-60.000	-60.000	-60.000	-60.000
		INFLATION REESTIMATE FOR FY 86	---	-11.000	-11.000	-11.000	-11.000	-11.000	-11.000
		PRIOR YEAR PROGRAM SAVINGS	---	-123.000	-123.000	-123.000	-123.000	-123.000	-123.000
		TOTAL, NAVY RDT&E	11264.300	-795.744	10468.556	-1626.694	9637.606	-1157.899	10106.401

RESEARCH, DEVELOPMENT, TEST & EVALUATION
AIR FORCE

(DOLLARS IN MILLIONS)

				S. 1160 AS PASSED		H.R. 1872 AS PASSED		CONFERENCE	
LINE NO.	PROGRAM ELEMENT	TITLE	FISCAL YEAR 1986 REQUEST	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION
		TECHNOLOGY BASE							
1	61101F	IN-HOUSE LAB INDEPENDENT RESEARCH	17.444		17.444		17.444		17.444
2	61102F	DEFENSE RESEARCH SCIENCES	206.334	-10.000	196.334		206.334		206.334
3	61103F	UNIVERSITY RESEARCH	6.250		6.250		6.250		6.250
4	62101F	GEOPHYSICS	38.614		38.614		38.614		38.614
5	62102F	MATERIALS	54.769		54.769		54.769		54.769
6	62201F	AEROSPACE FLIGHT DYNAMICS	67.545		67.545		67.545		67.545
7	62202F	AEROSPACE BIOTECHNOLOGY	50.840		50.840		50.840		50.840
8	62203F	AEROSPACE PROPULSION	62.609		62.609		62.609		62.609
9	62204F	AEROSPACE AVIONICS/VHSI CIRCUITS	74.806		74.806	-14.806	60.000	-14.806	60.000
10	62205F	TRAINING/SIMULATION TECH	25.236		25.236		25.236		25.236
11	62206F	CIVIL ENGINEERING AND ENVIRONMENTAL QA	7.125	-7.125	0.000		7.125		7.125
12	62302F	ROCKET PROPULSION	41.661	-4.000	37.661		41.661	-2.000	39.661
13	62601F	ADVANCED WEAPONS	37.020		37.020	-3.020	34.000	-1.520	35.500
14	62602F	CONVENTIONAL MUNITIONS	44.819		44.819		44.819		44.819
15	62702F	COMMAND/CONTROL/COMMUNICATION	80.720	-5.000	75.720	-3.000	77.720	-4.000	76.720
16	62703F	PERSONNEL UTILIZATION TECH	9.421	-.821	8.600		9.421		9.421
		SUBTOTAL, TECHNOLOGY BASE	825.213	-26.946	798.267	-20.826	804.387	-22.326	802.887
		ADVANCED TECHNOLOGY DEVELOPMENT							
17	63106F	LOGISTICS RESEARCH AND DEVEL REQUIREMENTS	12.736	-3.000	9.736	-3.000	9.736	-3.000	9.736
18	63107F	AUTOMATION OF TECHNICAL INFORMATION	5.382	-2.382	3.000	-5.382	0.000	-5.382	0.000
19	63202F	A/C PROPULSION SUBSYSTEM INTEGRATION	27.493		27.493		27.493		27.493
20	63203F	ADVANCED AVIONICS FOR AIRCRAFT	22.651		22.651		22.651		22.651
21	63205F	FLT VEHICLE TECHNOLOGY	22.884		22.884	-1.000	21.884	-.584	22.300
22	63208F	RECON SENSORS/PROCESSING TECHNOLOGY	9.182		9.182	-9.182	0.000	-3.182	6.000
23	63211F	AEROSPACE STRUCTURES/MATERIALS	23.596	-5.000	18.596	-10.596	13.000	-5.000	18.596
24	63215F	AVIATION TURBINE FUEL TECHNOLOGY	4.671		4.671		4.671		4.671
25	63216F	ADVANCED TURBINE ENGINE GAS GENERATOR	29.656	-4.656	25.000	-2.000	27.656	-2.000	27.656
26	63217F	WEAPON SYSTEM POWER	1.947		1.947	-1.947	0.000		1.947

LINE NO.	PROGRAM ELEMENT	TITLE	FISCAL YEAR 1986 REQUEST	S. 1160 AS PASSED		H.R. 1872 AS PASSED		CONFERENCE	
				CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION
27	63226F	DOD COMMON PROG LANGUAGE (ADA) ADV DEV	7.460		7.460		7.460		7.460
28	63227F	ADVANCED SIMULATOR TECHNOLOGY	4.410		4.410		4.410		4.410
29	63231F	CREW SYSTEMS TECHNOLOGY	12.754		12.754		12.754		12.754
30	63244F	A/C NON-NUCLEAR SURVIVABILITY	3.278		3.278		3.278		3.278
31	63245F	ADVANCED FIGHTER TECH INTEGRATION	22.276	-3.000	19.276	-2.000	20.276	-2.500	19.776
32	63250F	LINCOLN LABORATORY	26.363		26.363	-4.363	22.000	-1.363	25.000
33	63253F	ADVANCED SYSTEM INTEGRATION DEMONSTRATION	36.327		36.327	-36.327	0.000	-36.327	0.000
	------	INEWS/NAVIGATION ID AVIONICS	0.000		0.000	60.000	60.000	60.000	60.000
34	63259F	CARTOGRAPHIC APPLICATIONS--TAC AND STRATEGI	1.409		1.409		1.409		1.409
35	63302F	SPACE AND MISSILE ROCKET PROPULSION	8.381	-5.000	3.381	-8.381	0.000	-5.000	3.381
36	63313F	ADVANCED MISSILE SUBSYSTEMS DEMONSTRATION	1.209	-1.209	0.000	-1.209	0.000	-1.209	0.000
37	63319F	ADVANCED TECHNOLOGY CRUISE MISSILE	7.677		7.677		7.677		7.677
38	63363F	HYPERVELOCITY MISSILE	10.763	-2.000	8.763		10.763		10.763
39	63401F	ADVANCED SPACECRAFT TECHNOLOGY	9.700	-2.000	7.700	-2.700	7.000	-2.700	7.000
40	63406F	ADVANCED MILITARY SPACEFLIGHT TECHNOLOGY	.916	-.916	0.000	-.916	0.000	-.916	0.000
41	63410F	SPACE SYSTEM ENVIRONMENTAL INTERACTION TECH	4.954	-1.000	3.954		4.954	-1.000	3.954
42	63424F	MISSILE SURVEILLANCE TECHNOLOGY	11.550		11.550		11.550		11.550
43	63452F	VERY HIGH SPEED INTEGRATED CIRCUITS	193.776		193.776	30.000	223.776	17.500	211.276
45	63454F	NON-DESTRUCTIVE INSPECTION ADV DEV	.960		.980	-.980	0.000	-.980	0.000
46	63601F	CONVENTIONAL WEAPONS	28.590	-2.000	26.590	-5.000	23.590	-2.000	26.590
47	63605F	ADVANCED RADIATION TECHNOLOGY	19.749		19.749		19.749		19.749
48	63704F	MANPOWER AND PERSONNEL SYSTEM TECH	2.199		2.199		2.199		2.199
49	63707F	WEATHER SYSTEMS	3.963		3.963		3.963		3.963
50	63718F	ELECTRONIC WARFARE TECHNOLOGY	29.436		29.436		29.436		29.436
51	63723F	CIVIL/ENVIRONMENTAL ENG TECHNOLOGY	11.488		11.488		11.488		11.488
52	63726F	FIBER OPTICS DEVELOPMENT	3.861		3.861		3.861		3.861
53	63727F	ADVANCED COMMUNICATIONS TECHNOLOGY	4.895		4.895		4.895		4.895
54	63728F	ADVANCED COMPUTER TECHNOLOGY	8.643	-1.143	7.500		8.643	-1.143	7.500
55	63743F	ELECTRO-OPTICAL WARFARE	15.818		15.818		15.818		15.818
56	63745F	CHEMICAL WARFARE DEFENSE	6.165		6.165		6.165		6.165
57	63750F	COUNTER/COUNTERMEASURES ADV DEV	14.444		14.444	-3.000	11.444	-1.000	13.444
58	63751F	TRAINING SYSTEMS TECHNOLOGY	2.324		2.324		2.324		2.324
59	63752F	DOD SOFTWARE ENGINEERING INSTITUTE	11.742		11.742		11.742		11.742
60	63789F	COMMAND/CONTROL/COMMUNICATIONS ADV DEV	26.273	-10.000	16.273		26.273	-10.000	16.273
		SUBTOTAL, ADVANCED TECH DEVELOPMENT	713.971	-43.306	670.665	-7.983	705.988	-7.786	706.185

LINE NO.	PROGRAM ELEMENT	TITLE	FISCAL YEAR 1986 REQUEST	S. 1160 AS PASSED		H.R. 1872 AS PASSED		CONFERENCE	
				CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION
		STRATEGIC PROGRAMS							
62	63311F	ADVANCED STRATEGIC MISSILE SYSTEMS	173.934		173.934	-40.000	133.934	-10.000	163.934
63	63312F	ADVANCED CONCEPTS	[ ]		[ ]	-250.000	-250.000		[ ]
66	63364F	SRAM II	78.958	-25.000	53.958	-78.958	0.000	-43.958	35.000
70	63716F	ATMOSPHERIC SURVEILLANCE TECH	4.978		4.978		4.978		4.978
71	63735F	WWMCCS ARCHITECTURE	8.036		8.036		8.036		8.036
72	64221F	SPECIAL IMPROVEMENT PROJECTS	[ ]		[ ]		[ ]		[ ]
73	64226F	B-1B	367.438		367.438	-167.000	200.438	-87.000	280.438
75	64234F	COMMON STRATEGIC ROTARY LAUNCHER	72.629		72.629		72.629		72.629
76	64312F	ICBM MODERNIZATION	1580.824	-50.000	1530.824	-122.200	1458.624	-32.224	1548.600
		(MX)	(784.124)		(784.100)	(-100.000)	(684.100)	(-50.024)	(734.100)
		(SMALL ICBM IN MOBILE LAUNCHER)	(624.500)		(624.500)	(150.000)	(774.500)	(100.000)	(724.500)
		(FOLLOW-ON BASING)	(172.200)	(-50.000)	(122.200)	(-172.200)	(0.000)	(-82.200)	(90.000)
77	64326F	STRATEGIC CONVENTIONAL STANDOFF CAPABILITY	71.787	-71.787	0.000		71.787	-35.787	36.000
78	64361F	AIR-LAUNCHED CRUISE MISSILE	14.179		14.179	-9.179	5.000	-3.000	11.179
79	64406F	SPACE DEFENSE SYSTEM	149.934		149.934	-48.203	101.731		149.934
80	64711F	SYSTEMS SURVIVABILITY (NUC AFFECTS)	7.927		7.927		7.927		7.927
81	11113F	B-52 SQUADRONS	16.047		16.047	-3.400	12.647	-1.700	14.347
82	11120F	ADVANCED CRUISE MISSILE	[ ]		[ ]	-22.000	-22.000		[ ]
83	11135F	A/C SURVIVABILITY ENHANCEMENTS	[ ]		[ ]		[ ]		[ ]
84	11142F	KC-135 SQUADRONS	.968		.968		.968		.968
85	11213F	MINUTEMAN SQUADRONS	31.203	-25.200	6.003	-25.203	6.000	-25.200	6.003
86	11312F	PACCS/WWABNCP SYSTEM EC-135 CLASS V MODS	5.163		5.163	-1.500	3.663	-1.000	4.163
87	11316F	SAC COMMUNICATIONS	10.625		10.625	-3.000	7.625		10.625
88	12310F	NCMC - TW/AA SYSTEMS	57.445		57.445	-5.000	52.445	-5.000	52.445
89	12311F	NCMC - SPACE DEFENSE SYSTEMS	72.996	-20.000	52.996	-5.000	67.996	-10.000	62.996
90	12313F	BALLISTIC MSL TAC WARNING/ATTACK ASSESSMENT	2.655		2.655	-1.000	1.655	-.500	2.155
91	12323F	TW/AA INTERFACE NETWORK	1.468		1.468		1.468		1.468
92	12325F	JOINT SURVEILLANCE SYSTEM	3.069		3.069		3.069		3.069
93	12411F	SURVEILLANCE RADAR STATIONS/SITES	20.215		20.215		20.215		20.215
94	12412F	DEW RADAR STATIONS	40.914		40.914		40.914		40.914
95	12417F	CONUS OVER-THE-HORIZON RADAR	67.457		67.457		67.457		67.457
96	12423F	BALLISTIC MISSILE EARLY WARNING SYSTEM	12.966		12.966		12.966		12.966
97	12424F	SPACETRACK	9.613		9.613		9.613		9.613
98	12431F	DEFENSE SUPPORT PROGRAM	79.592		79.592		79.592		79.592
99	12432F	SLBM RADAR WARNING SYSTEMS	8.235		8.235		8.235		8.235
100	12433F	INTEGRATED OPER NUDETS DETECTION SYSTEM	20.538		20.538		20.536		20.538

LINE NO.	PROGRAM ELEMENT	TITLE	FISCAL YEAR 1986 REQUEST	S. 1160 AS PASSED CHANGE FROM REQUEST	S. 1160 AS PASSED RECOMMENDATION	H.R. 1872 AS PASSED CHANGE FROM REQUEST	H.R. 1872 AS PASSED RECOMMENDATION	CONFERENCE CHANGE FROM REQUEST	CONFERENCE RECOMMENDATION
101	12436F	COMMAND/CONTROL PROCESS/DISPLAY SYSTEM	14.807		14.807		14.807		14.807
104	33131F	MEECN	97.199		97.199	-10.000	87.199	-10.000	87.199
105	33152F	WWMCCS INFORMATION SYSTEM	8.100		8.100	-8.100	0.000	-3.100	5.000
106	33154F	WWMCCS INFORMATION SYSTEM--JPMO	88.721	-25.000	63.721		88.721	-10.000	78.721
107	33601F	MILSTAR SAT COMM SYSTEM (AF TERMINALS)	132.095		132.095	-4.000	128.095		132.095
108	33603F	CLASSIFIED PROGRAM	[ ]		[ ]		[ ]		[ ]
109	35155F	THEATER NUC WEAPON STORAGE AND SEC SYSTEM	1.045		1.045		1.045		1.045
111	35172F	BERNIE	[ ]		[ ]		[ ]		[ ]
112	35892F	SPECIAL ANALYSIS ACTIVITIES	[ ]		[ ]		[ ]		[ ]
	------	CLASSIFIED PROGRAMS	2410.025		2410.025		2410.025		2410.025
		SUBTOTAL, STRATEGIC PROGRAMS	5743.785	-216.987	5526.798	-803.743	4940.042	-278.469	5465.316
		TACTICAL PROGRAMS							
113	63230F	ADVANCED TACTICAL FIGHTER	242.852	-50.000	192.852	-93.000	149.852	-73.000	169.852
114	63239F	ADV TACTICAL AIR RECONNAISSANCE SYSTEM	20.339		20.339	-20.339	0.000	-10.339	10.000
117	63256F	JOINT SERVICE ADV VERTICAL LIFT A/C (JVX)	4.901		4.901	-4.901	0.000	-2.401	2.500
118	63307F	AIR BASE SURVIVABILITY AND RECOVERY	6.178		6.178		6.178		6.178
119	63320F	LOW COST SEEKER	17.613		17.613		17.613		17.613
120	63437F	HAVE DJINN	[ ]		[ ]		[ ]		[ ]
121	63609F	ADVANCED ATTACK WEAPONS	19.113		19.113		19.113		19.113
122	63714F	DOD PHYSICAL SECURITY EQUIPMENT--EXTERIOR	1.010		1.010		1.010		1.010
126	63742F	COMBAT IDENTIFICATION TECHNOLOGY	8.763		8.763		8.763		8.763
128	63749F	C3 COUNTERMEASURES ADVANCED SYSTEMS	3.463		3.463		3.463		3.463
129	63770F	JT SURVEIL TARGET ATTACK RADAR SYS (JSTARS)	3.200		3.200		3.200		3.200
130	63801F	SPECIAL PROGRAMS	[ ]	-15.000	-15.000	-30.000	-30.000	-20.000	-20.000
131	64201F	A/C AVIONICS EQUIPMENT DEVELOPMENT	29.397		29.397		29.397		29.397
132	64209F	F-100 DURABILITY	2.899		2.899		2.899		2.899
133	64212F	AIRCRAFT EQUIPMENT DEVELOPMENT	8.779		8.779		8.779		8.779
134	64218F	ENGINE MODEL DERIVATIVE PROGRAM	122.854	-80.000	42.854	-54.800	68.054	-60.000	62.854
135	64219F	INTEGRATED DIGITAL AVIONICS	11.763		11.763	-11.763	0.000	-3.763	8.000
136	64220F	EW COUNTER-RESPONSE	37.193		37.193	-37.193	0.000	-7.193	30.000
137	64222F	NUCLEAR WEAPONS SUPPORT	2.035		2.035		2.035		2.035
138	64223F	ALTERNATE FIGHTER ENGINE	33.353		33.353		33.353		33.353
139	64231F	C-17 PROGRAM	453.681	-70.000	383.681		453.681	-70.000	383.681
140	64232F	PAVE RUNNER	[ ]		[ ]		[ ]		[ ]
141	64236F	INFRARED SEARCH AND TRACK SYSTEM	23.657		23.657		23.657		23.657

LINE NO.	PROGRAM ELEMENT	TITLE	FISCAL YEAR 1986 REQUEST	S. 1160 AS PASSED		H.R. 1872 AS PASSED		CONFERENCE	
				CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION
142	64247F	MODULAR AUTOMATIC TEST EQUIPMENT	9.962		9.962		9.962		9.962
143	64249F	NIGHT PRECISION ATTACK	40.849		40.849		40.849		40.849
144	64268F	A/C ENGINE COMPONENT IMPROVEMENT PROGRAM	138.574		138.574		138.574		138.574
145	64313F	T-46A	54.287		54.287		54.287		54.287
146	64314F	ADV MEDIUM RANGE AIR-TO-AIR MISSILE	101.382		101.382	-101.382	0.000		101.382
148	64321F	JOINT TACTICAL FUSION PROGRAM	26.920		26.920	-2.700	24.220		26.920
150	64362F	GROUND-LAUNCHED CRUISE MISSILE	.685		.685		.685		.685
151	64601F	CHEM/BIO DEFENSE EQUIPMENT	22.488		22.488		22.488		22.488
152	64602F	ARMAMENT ORDNANCE DEVELOPMENT	17.563		17.563		17.563		17.563
153	64604F	SUBMUNITIONS	43.910	-10.000	33.910		43.910	-5.000	38.910
154	64607F	WIDE-AREA ANTI-ARMOR MUNITION	15.811		15.811		15.811		15.811
156	64617F	AIR BASE SURVIVABILITY AND RECOVERY	21.900		21.900		21.900		21.900
157	64703F	AEROMEDICAL SYSTEMS DEVELOPMENT	8.049		8.049		8.049		8.049
158	64706F	LIFE SUPPORT SYSTEM	16.779		16.779	-1.000	15.779		16.779
159	64708F	OTHER OPERATIONAL EQUIPMENT	17.087		17.087		17.087		17.087
160	64710F	RECONNAISSANCE EQUIPMENT	7.820		7.820		7.820		7.820
161	64715F	DOD PHYSICAL SECURITY EQUIPMENT--EXTERIOR	15.733		15.733		15.733		15.733
162	64724F	TAC C3 COUNTER-MEASURES	17.441		17.441		17.441		17.441
163	64725F	COMBAT IDENTIFICATION SYSTEMS	13.164		13.164	-13.164	0.000		13.164
164	64733F	SURFACE DEFENSE SUPPRESSION	54.980	-10.000	44.980	-36.980	18.000	-24.980	30.000
165	64737F	AIRBORNE SELF-PROTECTION JAMMER	11.220		11.220	-6.220	5.000	-6.220	5.000
166	64738F	PROTECTIVE SYSTEMS	65.792		65.792		65.792		65.792
167	64739F	TACTICAL PROTECTIVE SYSTEMS	75.709	-20.000	55.709	-10.000	65.709	-20.000	55.709
168	64740F	COMPUTER RESOURCES MANAGEMENT TECH	14.011		14.011		14.011		14.011
169	64742F	PRECISION LOCATION STRIKE SYSTEM	63.081		63.091		63.081		63.081
170	64750F	INTELLIGENCE EQUIPMENT	13.481		13.481		13.481		13.481
171	64753F	COMBAT HELICOPTER MODERNIZATION	14.100		14.100		14.100		14.100
172	64754F	JT TACTICAL INFORMATION DIST SYSTEM (JTIDS)	91.675		91.675	-91.675	0.000	-91.675	0.000
173	64756F	SIDE-LOOKING AIRBORNE RADAR (SLAR)	20.667		20.667		20.667		20.667
174	64770F	JSTARS	260.221	-20.000	240.221	-260.221	0.000	-260.221	0.000
175	64779F	JT INTEROPERABILITY TAC COMMAND/CONTROL	9.141		9.141		9.141		9.141
176	11133F	SR-71 SQUADRONS	[ ]		[ ]		[ ]		[ ]
177	27129F	F-111 SQUADRONS	54.535		54.535	-10.934	43.601	-6.035	48.500
178	27130F	F-15 SQUADRONS	252.142	-20.000	232.142		252.142	-15.000	237.142
179	27131F	A-10 SQUADRONS	3.102		3.102		3.102		3.102
181	27133F	F-16 SQUADRONS	94.859		94.859	-10.859	84.000	-10.859	84.000
182	27136F	F-4G WILD WEASEL SQUADRONS	36.707		36.707		36.707		36.707
183	27137F	CONSTANT HELP	[ ]		[ ]		[ ]		[ ]

				S. 1160 AS PASSED		H.R. 1872 AS PASSED		CONFERENCE	
LINE NO.	PROGRAM ELEMENT	TITLE	FISCAL YEAR 1986 REQUEST	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION
184	27162F	TACTICAL AGM MISSILES	3.926		3.926	-3.926	0.000	-1.926	2.000
187	27247F	AIR FORCE TENCAP	.250		.250		.250		.250
188	27411F	OVERSEAS AIR WEAPON CONT SYSTEM	3.068		3.068		3.068		3.068
189	27412F	TACTICAL AIR CONTROL SYSTEM	20.075		20.075		20.075		20.075
190	27417F	AIRBORNE WARNING AND CONTROL SYSTEM	137.302	-30.000	107.302		137.302	-15.302	122.000
191	27419F	TAC AIRBORNE COMMAND AND CONTROL SYSTEM	8.151		8.151		8.151		8.151
192	27423F	ADVANCED COMMUNICATION SYSTEM	123.785	-10.000	113.785		123.785	-10.000	113.785
193	27431F	TACTICAL AIR INTEL SYS ACTIVITIES	2.191		2.191		2.191		2.191
194	27435F	TACTICAL RECON IMAGERY EXPLOITATION	7.691		7.691		7.691		7.691
195	27584F	SEEK AXLE	[ ]		[ ]		[ ]		[ ]
196	27535F	SEEK SPINNER	[ ]		[ ]		[ ]		[ ]
197	27591F	OMEGA	[ ]		[ ]		[ ]		[ ]
198	27595F	BASE COMM--TACTICAL AIR FORCES	.899		.899		.899		.899
199	28010F	JT TACTICAL COMMUNICATION PROGRAM (TRI-TAC)	4.947		4.947		4.947		4.947
200	28041F	JOINT ADVANCED SYSTEMS	[ ]		[ ]		[ ]		[ ]
201	28042F	HAVE FLAG	[ ]	-30.000	-30.000	-265.800	-265.800	-265.800	-265.800
202	33605F	SATELLITE COMMUNICATIONS TERMINALS	7.569		7.569		7.569		7.569
203	35887F	ELECTRONIC COMBAT INTEL SUPPORT	1.593		1.593		1.593		1.593
207	41129F	THEME CASTLE	[ ]	-5.000	-5.000		[ ]		[ ]
208	41840F	MAC COMMAND/CONTROL SYSTEM	11.441		11.441		11.441		11.441
209	44011F	SPECIAL OPERATIONS FORCES	13.993		13.993	-13.993	0.000	-3.993	10.000
	------	CLASSIFIED PROGRAMS	666.386		666.386		666.386		666.386
	------	GENERAL REDUCTION FOR EW PROGRAMS	---		---		---	-30.000	-30.000
		SUBTOTAL, TACTICAL PROGRAMS	3792.137	-370.000	3422.137	-1080.850	2711.287	-1013.707	2778.430
		INTELLIGENCE AND COMMUNICATIONS							
210	63431F	SPACE COMMUNICATIONS	45.012	-2.000	43.012	-2.000	43.012	-2.000	43.012
211	64238F	CONSTANT PISCES	[ ]		[ ]		[ ]		[ ]
213	27582F	HAVE TRUMP	[ ]		[ ]		[ ]		[ ]
214	31305F	INTELLIGENCE PRODUCTION ACTIVITIES	[ ]		[ ]		[ ]		[ ]
215	31310F	FOREIGN TECHNOLOGY DIVISION	[ ]		[ ]		[ ]		[ ]
216	31314F	INFRARED PROCESSING AND EXPLOITATION	[ ]		[ ]		[ ]		[ ]
217	31315F	MISSILE AND SPACE TECH COLLECTION	[ ]		[ ]		[ ]		[ ]
218	31317F	SENIOR YEAR OPERATIONS	[ ]		[ ]		[ ]		[ ]
219	31324F	FOREST GREEN	[ ]		[ ]		[ ]		[ ]
222	33110F	DEFENSE SATELLITE COMMUNICATION SYSTEM	6.930		6.930		6.930		6.930

LINE NO.	PROGRAM ELEMENT	TITLE	FISCAL YEAR 1986 REQUEST	S. 1160 AS PASSED		H.R. 1872 AS PASSED		CONFERENCE	
				CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION
223	33112F	AIR FORCE COMMUNICATIONS	.978		.978	-.978	0.000	-.978	0.000
224	33126F	LONG-HAUL COMMUNICATIONS (DCS)	11.543		11.543		11.543		11.543
225	33144F	ELECTROMAGNETIC COMPATIBILITY ANALYSIS CTR	7.191		7.191		7.191		7.191
226	33401F	COMMUNICATIONS SECURITY	[ ]		[ ]		[ ]		[ ]
227	34111F	SPECIAL ACTIVITIES	[ ]	-61.700	-61.700	-95.900	-95.900	-85.700	-85.700
228	35114F	TRAFFIC CONTROL/APPROACH/LANDING SYSTEM	29.517	-10.000	19.517	-7.803	21.714	-7.803	21.714
229	35159F	DEFENSE RECONNAISSANCE SUPPORT ACTIVITIES	[ ]		[ ]		[ ]		[ ]
230	35164F	NAVSTAR GPS (USER EQUIPMENT)	28.691		28.691		28.691		28.691
231	35165F	NAVSTAR GPS (SPACE/GRD SEGMENTS)	48.527	-10.000	38.527		48.527	-3.000	45.527
232	84733F	GENERAL INTELLIGENCE SKILL TRAINING	5.300		5.300		5.300		5.300
	------	CLASSIFIED PROGRAMS	2199.143		2199.143		2199.143		2199.143
		SUBTOTAL, INTEL AND COMMUNICATIONS	2382.832	-83.700	2299.132	-106.681	2276.151	-99.481	2283.351
		DEFENSEWIDE MISSION SUPPORT							
233	63248F	CONCEPT DEVELOPMENT	3.028		3.028	-3.028	0.000		3.028
236	63402F	SPACE TEST PROGRAM	70.434	-2.000	68.434	-2.000	68.434	-2.000	68.434
237	63438F	SATELLITE SYSTEM SURVIVABILITY	4.273		4.273	20.000	24.273	11.827	16.100
239	64211F	ADVANCED AERIAL TARGETS DEVELOPMENT	13.505		13.505	-6.500	7.005		13.505
240	64227F	FLIGHT SIMULATOR DEVELOPMENT	155.315	-10.000	145.315	-36.351	118.964	-23.315	132.000
241	64237F	VARIABLE IN-FLIGHT TEST A/C (VISTA)	.391		.391		.391		.391
242	64411F	SPACE SHUTTLE	132.007		132.007		132.007		132.007
243	64609F	LOGISTICS TECH FOR WEAPONS SYSTEMS	6.750		6.750		6.750		6.750
244	64707F	WEATHER SYSTEMS	13.078	-5.000	8.078		13.078	-2.500	10.578
245	64735F	RANGE IMPROVEMENT	62.166	-15.000	47.166	-3.000	59.166	-8.166	54.000
246	64747F	ELECTROMAG RADIATION TEST FACILITY	3.376		3.376		3.376		3.376
247	64755F	IMPROVED CAPABILITY FOR RDT+E	46.417		46.417		46.417		46.417
248	65101F	PROJECT AIR FORCE	17.445	3.555	21.000		17.445	3.555	21.000
249	65304F	ACQUISITION/COMMAND SUPPORT--TELECOM	6.550		6.550		6.550		6.550
250	65306F	RANCH HAND II EPIDEMIOLOGY STUDY	4.695		4.695		4.695		4.695
252	65708F	NAV/RADAR/SLED TRACK TEST SUPPORT	28.319	-8.000	20.319	-8.000	20.319	-8.000	20.319
253	65806F	ACQUISITION AND COMMAND SUPPORT	366.620	-30.000	336.620	-16.620	350.000	-20.000	346.620
254	65807F	TEST AND EVALUATION SUPPORT	431.594	-20.000	411.594		431.594	-10.000	421.594
255	65808F	ADV SYSTEM ENGINEERING/PLAN	3.895	-1.395	2.500	-3.895	0.000	-1.895	2.000
256	65863F	RDT&E AIRCRAFT SUPPORT	59.820		59.820	-5.000	54.820	-2.820	57.000
257	65872F	PRODUCTIVITY INVESTMENTS	7.009	-4.000	3.009		7.009	-4.000	3.009
258	65874F	PRODUCT PERFORMANCE AGMT CENTER (PPAC)	.975		.975	-.975	0.000		.975

LINE NO.	PROGRAM ELEMENT	TITLE	FISCAL YEAR 1986 REQUEST	S. 1160 AS PASSED		H.R. 1872 AS PASSED		CONFERENCE	
				CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION
260	35110F	SATELLITE CONTROL FACILITY	83.122	-15.000	68.122	-5.000	78.122	-10.000	73.122
261	35119F	SPACE BOOSTERS	221.393		221.393	-71.393	150.000		221.393
262	35130F	CONSOLIDATED SPACE OPERATIONS CENTER	87.415	-20.000	67.415		87.415		87.415
263	35160F	DEFENSE METEOROLOGICAL SATELLITE PROGRAM	71.309	-20.000	51.309		71.309	-10.000	61.309
264	35171F	SPACE LAUNCH SUPPORT	79.232		79.232		79.232		79.232
265	71112F	INVENTORY CONTROL POINT OPERATIONS	4.034		4.034		4.034		4.034
266	72207F	DEPOT MAINTENANCE (NON-IF)	.489	-.489	0.000	-.489	0.000	-.489	0.000
267	78011F	INDUSTRIAL PREPAREDNESS	104.540	-40.000	64.540	-48.000	56.540	-40.000	64.540
269	78026F	PRODUCT/RELIABLE/AVAIL/MAINTAIN PROGRAM	17.365	-3.000	14.365		17.365	-3.000	14.365
270	78031F	LOGISTICS C3I SYSTEM	9.933		9.933	-9.933	0.000	-1.433	8.500
271	91212F	SERVICE-WIDE SUPPORT	.196		.196	-.196	0.000	-.196	0.000
272	91215F	PRODUCTIVITY INVESTMENTS	.978		.978	-.978	0.000	-.978	0.000
274	01004F	INTERNATIONAL ACTIVITIES	2.694		2.894		2.894		2.894
		SUBTOTAL, DEF-WIDE MISSION SUPPORT	2120.562	-190.329	1930.233	-201.358	1919.204	-133.410	1987.152
	------	SIMPLIFIED MUNITIONS LIFT TRAILER	0.000	3.800	3.800		0.000		0.000
		PRIOR YEAR AUTHORIZATION TRANSFER	---	-3.800	-3.800		---		---
	------	F-4 AIR DEFENSE	0.000		0.000	30.000	30.000	22.000	22.000
	------	PAVE TIGER (RPV)	0.000		0.000		0.000	15.000	15.000
		GEN REDUCTION CONSULTANTS/STUDIES/ANALYSES	---		---	-25.000	-25.000	-25.000	-25.000
		UNDISTRIBUTED REDUCTION	---	-95.000	-95.000	-40.849	-40.849	-70.000	-70.000
		RESTORATION OF CIVILIAN PAY REDUCTION	---	24.400	24.400		---	24.400	24.400
		CIVILIAN END STRENGTH FREEZE	---	-11.898	-11.898		---		---
		PRIOR YEAR INFLATION SAVINGS	---	-100.000	-100.000	-100.000	-100.000	-100.000	-100.000
		INFLATION REESTIMATE FOR FY 86	---	-14.000	-14.000	-14.000	-14.000	-14.000	-14.000
		PRIOR YEAR PROGRAM SAVINGS	---	-156.000	-156.000	-156.000	-156.000	-156.000	-156.000
		TOTAL, AIR FORCE RDT&E	15578.500	-1283.766	14294.734	-2527.290	13051.210	-1858.779	13719.721

RESEARCH, DEVELOPMENT, TEST & EVALUATION
DEFENSE AGENCIES

(DOLLARS IN MILLIONS)

LINE NO.	PROGRAM ELEMENT		FISCAL YEAR 1986 REQUEST	S. 1160 AS PASSED		H.R. 1872 AS PASSED		CONFERENCE	
				CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION
		TECHNOLOGY BASE							
1	61101E	DEFENSE RESEARCH SCIENCES	92.600	-12.000	80.600		92.600		92.600
2	61101W	IN-HOUSE LAB INDEPENDENT RESEARCH	1.981		1.981		1.981		1.981
3	61103E	UNIVERSITY RESEARCH	6.250		6.250		6.250		6.250
4	62101E	TECHNICAL STUDIES	1.800		1.800	-.300	1.500	-.300	1.500
6	62301E	STRATEGIC TECHNOLOGY	254.400		254.400	-10.500	243.900	-6.500	247.900
7	62702E	TACTICAL TECHNOLOGY	102.000		102.000		102.000		102.000
8	62707E	PARTICLE BEAM TECHOLOGY	21.500		21.500		21.500		21.500
9	62708E	INTEGRATED COMMAND/CONTROL TECH	53.000		53.000		53.000		53.000
10	62712E	MATERIALS PROCESSING TECH	33.000		33.000		33.000		33.000
11	62714E	NUCLEAR MONITORING	19.400	6.000	25.400		19.400	3.000	22.400
12	62715H	DEFENSE NUCLEAR AGENCY	384.361	-20.000	364.361		384.361	-10.000	374.361
	------	POLYGRAPH	[ ]	.590	.590		[ ]	.590	.590
		SUBTOTAL, TECHNOLOGY BASE	970.292	-25.410	944.882	-10.800	959.492	-13.210	957.082
		ADVANCED TECHNOLOGY DEVELOPMENT							
	------	STRATEGIC DEFENSE INITIATIVE	3712.962	-750.000	2962.962	-1212.962	2500.000	-962.962	2750.000
		UNDISTRIBUTED (SDI)	---	(-750.000)	(-750.000)	(27.038)	(27.038)	(-962.962)	(-962.962)
13	63220C	SURVEIL/ACQSN/TRACK/KILL ASSESSMENT	(1386.344)			(-496.000)	(890.344)		
14	63221C	DIRECTED ENERGY WEAPONS	(965.441)			(-240.000)	(725.441)		
15	63222C	KINETIC ENERGY WEAPONS	(859.724)			(-350.000)	(509.724)		
16	63223C	SYSTEMS CONCEPTS AND BATTLE MANAGEMENT	(243.300)			(-70.000)	(173.300)		
17	63224C	SURVIVABLTY,LETHALITY & KEY SUPPORT TECH	(258.153)			(-84.000)	(174.153)		
18	63225D	JOINT DOD-DOE MUNITIONS TECH DEV	8.413	1.587	10.000		8.413	1.587	10.000
19	63226E	EXPERIMENTAL EVAL OF MAJOR INNOV TECH	175.249		175.249	-12.800	162.449	-10.800	164.449
20	63702D	SPECIAL TECHNOLOGY OFFICE/USDR&E	4.177		4.177		4.177		4.177
21	63703D	COUNTER-INSURGENCY AND SPECIAL TECH	11.421		11.421		11.421		11.421
22	35108K	COMMAND AND CONTROL RESEARCH	2.313		2.313		2.313		2.313
		SUBTOTAL, ADVANCED TECH DEVELOPMENT	3914.535	-748.413	3166.122	-1225.762	2686.773	-972.175	2942.360

LINE NO.	PROGRAM ELEMENT		FISCAL YEAR 1986 REQUEST	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION
		STRATEGIC PROGRAMS							
23	63734K	ISLAND SUN	17.000		17.000		17.000		17.000
25	32016K	NMCS-WIDE SUPPORT	43.498	-10.000	33.498		43.498	-5.000	38.498
27	32019K	WWMCCS SYSTEM ENGINEER	21.254		21.254		21.254		21.254
28	33131K	MEECN	12.398		12.398		12.398		12.398
		SUBTOTAL, STRATEGIC PROGRAMS	94.150	-10.000	84.150	0.000	94.150	-5.000	89.150
		TACTICAL PROGRAMS							
29	21135K	CINC C2 INITIATIVES	2.083		2.083		2.083		2.083
30	28045D	C3 INTEROPERABILITY (JOINT TACT C3 AGCY)	72.152	-12.000	60.152	-10.000	62.152	-10.000	62.152
31	28298D	MANAGEMENT HEADQUARTERS (JTC3A)	1.472		1.472		1.472		1.472
		SUBTOTAL, TACTICAL PROGRAMS	75.707	-12.000	63.707	-10.000	65.707	-10.000	65.707
		INTELLIGENCE AND COMMUNICATIONS							
32	62716B	MAP/CHART/GEODESY	.975		.975		.975		.975
33	63701B	MAP/CHART/GEODESY INV/PROTOTYPE DEV	20.197	-4.000	16.197		20.197	-2.000	18.197
34	64701B	MAP/CHART/GEODESY ENGR DEV/TEST	3.092		3.092		3.092		3.092
35	31011G	CRYPTOLOGIC ACTIVITIES	[ ]	-20.116	-20.116	-57.088	-57.088	-46.352	-46.352
36	31301L	GENERAL DEFENSE INTELLIGENCE PROGRAM	[ ]		[ ]	-.280	-.280	-.280	-.280
37	31398L	MANAGEMENT HEADQUARTERS GDIP	[ ]		[ ]		[ ]		[ ]
38	33126K	LONG-HAUL COMMUNICATIONS (DCS)	18.935	-5.000	13.935		18.935	-2.000	16.935
39	33127K	SUPPORT OF THE NCS	5.686		5.686		5.686		5.686
40	33401G	COMMUNICATIONS SECURITY	[ ]		[ ]		[ ]		[ ]
41	35139B	DMA EXPLOITATION PROGRAM	[ ]		[ ]		[ ]		[ ]
42	35159B	DEFENSE RECONNAISSANCE SUPPORT ACTIVITIES	[ ]		[ ]		[ ]		[ ]
43	35159G	DEFENSE RECONNAISSANCE ACTIVITIES	[ ]		[ ]		[ ]		[ ]
44	35159I	DEFENSE RECONNAISSANCE SUPPORT ACTIVITIES	[ ]		[ ]	-16.000	-16.000	-16.000	-16.000
45	35167G	COMPUTER SECURITY	[ ]		[ ]		[ ]		[ ]
46	35884L	INTEL PLAN AND REVIEW ACTIVITIES	[ ]		[ ]		[ ]		[ ]
47	35885G	TACTICAL CRYPTOLOGIC ACTIVITIES	[ ]		[ ]	-2.700	-2.700	-1.400	-1.400
	------	CLASSIFIED PROGRAMS	1826.848		1826.848		1826.848		1826.848
		SUBTOTAL, INTEL AND COMMUNICATIONS	1875.733	-29.116	1846.617	-76.068	1799.665	-68.032	1807.701

				S. 1160 AS PASSED		H.R. 1872 AS PASSED		CONFERENCE	
LINE NO.	PROGRAM ELEMENT		FISCAL YEAR 1986 REQUEST	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION
		DEFENSEWIDE MISSION SUPPORT							
48	65104D	TECHNICAL SUPPORT TO USDR/E	23.593		23.593	-1.000	22.593	-.500	23.093
49	65106D	GENERAL SUPPORT FOR PA/E	3.489		3.469	-1.000	2.489	-.500	2.989
50	65107D	SUPPORT TO POLICY	6.445	1.005	7.450	-.500	5.945	.565	7.010
51	65108D	GENERAL SUPPORT FOR NET ASSESSMENT	4.032		4.032		4.032		4.032
52	65109D	GENERAL SUPPORT FOR MRA/L	3.117		3.117		3.117		3.117
53	65110D	CRITICAL TECHNOLOGY	2.792		2.792		2.792		2.792
54	65112D	TECHNICAL ANALYTICAL SUPPORT	16.001	-4.000	12.001	-1.000	15.001	-1.000	15.001
55	65112E	TECHNICAL ANALYTICAL SUPPORT	[ ]		[ ]		[ ]		[ ]
56	65113D	TAPISTRY	2.793		2.793		2.793		2.793
57	65114E	BLACKLITE	4.000		4.000		4.000		4.000
59	65801S	DEFENSE TECHNICAL INFO CENTER	21.656		21.656		21.656		21.656
60	65802S	INFORMATION ANALYSIS CENTERS	6.550		6.550		6.550		6.550
62	65898C	MANAGEMENT HEADQUARTERS SDI	9.222		9.222		9.222		9.222
63	65898E	MANAGEMENT HEADQUARTERS R & D	13.148		13.148	-1.000	12.148	-1.000	12.148
64	78011S	INDUSTRIAL PREPAREDNESS	5.000		5.000	-3.000	2.000		5.000
65	01015D	TECHNOLOGY TRANSFER FUNCTIONS	1.645		1.645		1.645		1.645
		SUBTOTAL, DEF-WIDE MISSION SUPPORT	123.483	-2.995	120.488	-7.500	115.983	-2.435	121.048
		SUBTOTAL, DEFENSE AGENCIES RDT&E	7053.900	-827.934	6225.966	-1330.130	5723.770	-1070.852	5983.048
		DIRECTOR OF TEST & EVALUATION, DEFENSE							
1	65111D	FOREIGN WEAPONS EVALUATION	17.010		17.010		17.010		17.010
2	65804D	TEST AND EVALUATION	86.490	-10.000	76.490	-10.000	76.490	-10.000	76.490
		SUBTOTAL, DIRECTOR OF TEST & EVALUATION	103.500	-10.000	93.500	-10.000	93.500	-10.000	93.500

LINE NO.	PROGRAM ELEMENT	TITLE	FISCAL YEAR 1986 REQUEST	S. 1160 AS PASSED		H.R. 1872 AS PASSED		CONFERENCE	
				CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION	CHANGE FROM REQUEST	RECOMMENDATION
	------	COMMON JTIDS	0.000		0.000	150.000	150.000	200.000	200.000
	------	JSTARS	0.000		0.000		0.000	240.221	240.221
	------	UNIVERSITY RESEARCH INITIATIVE	0.000		0.000	175.000	175.000	75.000	75 000
	------	JOINT ADVANCED SYSTEMS	0.000		0.000	200.000	200.000	300.000	300.000
	------	CLASSIFIED PROGRAM	[ ]		[ ]		[ ]	20.000	20.000
		GEN REDUCTION CONSULTANTS/STUDIES/ANAL	---		---	-10.000	-10.000	-10.000	-10.000
		UNDISTRIBUTED REDUCTION	---	-42.000	-42.000		---	-42.000	-42.000
		RESTORATION OF CIVILIAN PAY REDUCTION	---	1.200	1.200		---	1.200	1.200
		CIVILIAN END STRENGTH FREEZE	---	-1.400	-1.400		---		---
		PRIOR YEAR PROGRAM SAVINGS	---	-151.000	-151.000	-47.000	-47.000	-47.000	-47.000
		TOTAL, DEFENSE AGENCIES RDT&E	7157.400	-1031.134	6126.266	-872.130	6285.270	-343.431	6813.969

ITEMS OF SPECIAL INTEREST

Advanced anti-tank weapon system—medium

The Administration requested $81.077 million for the Army advanced anti-tank weapon system-medium (AAWS-M). The House amendment would reduce the request to $66.077 million. The Senate bill would reduce the request to $61.077 million.

The conferees recognize that there is an urgent requirement to replace the DRAGON anti-tank weapon system in the light divisions/reaction forces on an interim basis while the AAWS-M system is developed. The conferees understand that the Army has decided to test the MILAN 2 as an interim system using funds appropriated in fiscal year 1985.

The conferees agreed to an authorization of $61.077 million for the research and development of AAWS-M. Of the sum provided, $6.0 million may be used to test MILAN 2.

Advanced strategic missile systems

The Senate bill would authorize $173.934 million for the Air Force Advanced Strategic Missile Systems (ASMS), the full amount requested by the Administration. The House amendment would authorize $133.934 million.

In view of Soviet efforts in the area of ballistic missile defense, including their capability to rapidly deploy a territorial AMB defense, the conferees attach high priority to the ASMS program, which is designed to ensure the effectiveness of the U.S. ballistic missile force against such threats. Therefore, the conferees agreed to an authorization of $163.934 million for the ASMS program in fiscal year 1986.

Within the ASMS program, the conferees attach high priority to work being done in the area of active and passive penetration aids for ballistic re-entry vehicles; and the development of maneuvering re-entry vehicles for evasion and accuracy, and their associated penetration aids including those designed to address optical threats.

Advanced surface-to-air missile

The Administration requested $41.510 million for the Navy's Advanced Surface-to-Air Missile (ASAM) program. The Senate bill would authorize the full amount. The House amendment would provide no authorization.

The House conferees expressed concern over the Navy's plan to develop a new surface-to-air missile for the outer air battle. The Navy has committed to the development of an improved A-6 attack aircraft, an improved F-14 and a follow-on aircraft. The synergism between tactical air and the surface fleet has not been fully explored to determine whether a new surface-to-air missile is required or if an improved Standard Missile—SM-III—would be sufficient.

The conferees agreed to an authorization of $25 million to study ASAM alternatives as well as the SM-III. This does not constitute a commitment to develop a new missile at this time.

ASW stand-off weapon

The Administration requested $75.328 million for the anti-submarine warfare stand-off weapon (ASW SOW) program. The Senate bill would provide $50.328 million and the House amendment would authorize the full amount.

In response to a request by the Senate Armed Services Committee, the Secretary of the Navy has provided a written commitment to fund this program so as to achieve the existing date for initial operational capability.

Given this firm commitment by the Navy to fund the program, the conferees agreed to authorize $75.328 million for the submarine ASW SOW.

C-17 aircraft

The Administration requested authorization of $453.681 million for development of the C-17 aircraft.

The Senate bill would authorize $383.681 million, a reduction of $70 million; the House amendment would authorize the full amount.

The Senate conferees maintained that the reduction would have no significant effect on the scheduled date for initial operational capability of the C-17.

The conferees agreed to authorize $383.681 million.

Ceramic rotary valves

The House amendment would include authorization of $300,000 for the development of ceramic elements for rotating valves for use in automotive and combat vehicle propulsion systems.

The Senate bill contained no similar provision.

The conferees are advised that $870,000 will be required to complete the testing of these components during fiscal year 1986.

Accordingly, the conferees require that of the total authorization for Army Research, Development, Test and Evaluation $870,000 be used only for the completion of these tests.

Command and control technology

The Administration requested $28.943 million for Command and Control technology. The Senate bill would authorize $24.443 million for this effort, a $4.5 million reduction. The House amendment would fully authorize the request.

The conferees agreed to the Senate bill level of $24.443 million in authorization with the stipulation that project F21-241, Information Processing, is authorized at the requested level of $8.083 million.

Countermines and barriers

The Administration requested $10.417 million for the Army Countermines and Barriers program.

The Senate bill would provide authorization of $5.617 million; the House amendment would provide $10.917 million, the additional authorization intended for a mine flail system.

The conferees agreed to an authorization of $8 million, of which $500,000 is available only for the conduct of tests and evaluation of mine flail systems that have already been developed by the United Kingdom, the Federal Republic of Germany, France, or any NATO country.

Electric drive

The Administration requested $9.762 million for the Navy's Electric Drive development program. The Senate bill would authorize the full request. The House amendment would provide no authorization.

On July 12, 1985, the Assistant Secretary of the Navy for Shipbuilding and Logistics forwarded a letter to the Chairman of the House Armed Services Committee stating that high power electric drive is an important initiative for future Navy ship programs. According to the Navy, electric drive can significantly reduce ship radiated noise, reduce ship acquisition costs by three percent, life-cycle fuel costs by 16 percent for a destroyer-sized ship, and improve machinery integration in advanced naval ships such as the SWATH (Small Waterplane Area Twin Hull) type.

The conferees agreed to authorize $9.762 million for Electric Drive.

Electronic warfare programs

The Statement of Managers' accompanying H.R. 5167, the Department of Defense Authorization Act, fiscal year 1985, expressed concern with the tri-service electronic warfare programs. This report reflected the opinion of the conferees that better coordination is required among all four services in identifying electronic warfare requirements and the programs required to address them. The conferees requested the Secretary of Defense to require the services to develop a comprehensive coordinated electronic warfare plan and to submit the plan to the Committees on Armed Services of the Senate and the House of Representatives not later than June 15, 1985. Only a draft plan was forwarded to the Congress after June 15 and it is apparent that a lack of proper coordination exists among the services. Some progress has been made but a great deal of work remains in getting the services to better coordinate their requirements and understanding of each others efforts in such promising technologies as the Integrated Electronic Warfare system (INEWS) and the Integrated Communication, Navigation, and Identification, Avionics (ICNIA) programs.

The conferees reiterate the need to complete the electronic warfare plan in a timely manner. The conferees agreed to general reductions of $30 million in electronic warfare programs in the Navy and Air Force. The conferees also agreed to provide authorization of at least $60 million for the INEWS/ICNIA programs for application in advanced tactical fighter and attack aircraft. Section 206(1) requires that $60 million be available only for research, development, test and evaluation of the INEWS/ICNIA systems.

Fleet telecommunications

The Senate bill would provide authorization of $50 million for the Navy's Fleet Telecommunications program; the House amendment would reduce the Navy's request for $72.697 million to $32.404 million.

The House amendment would deny authorization for the High Frequency Anti-Jam (HFAJ) program. The House position was based on an assessment that a lack of competition exists for the development of the HFAJ system.

The conferees strongly support the requirement for the HFAJ program. Accordingly, the conferees agreed to an authorization of not more than $25 million for the HFAJ system with the understanding that no funds would be obligated or expended until the following actions are taken by the Secretary of the Navy:

—the management and technical responsibility for the program has been assigned to the Naval Research Laboratory (NRL). The NRL will report directly to the Office of the Assistant Secretary of the Navy for Research, Engineering and Systems on this program.

—a new Request for Proposal (RFP) providing general specifications for the HFAJ system has replaced the existing RFP to ensure an open competition.

—a status report is provided to the Committees on Armed Services of the Senate and the House of Representatives.

The conferees agreed to authorize $16 million for projects other than HFAJ, for a total authorization of $41 million for the Fleet Telecommunications program.

Follow-on basing

The Administration requested $172.2 million for follow-on basing research and development, of which $152.2 million is associated with hard-silo work, and $20.0 million with deep-underground basing. The Senate bill would provide $122.2 million for these activities; the House amendment would provide no funding for these purposes.

The conferees agreed to provide $90.0 million for this program in fiscal year 1986: $70.0 million for hard silo work and $20.0 million for other basing technology. The funding for hard silo research and development is provided to develop a data package on an "austere" hard silo basing option.

The conferees are not satisfied with Air Force estimates of the cost of hard silo options, which they view as too high. By "austere", the conferees have in mind costs well below those presented for hard silo options to date. In this regard, the conferees direct that efforts on "ultra-hard" silos be terminated within the Air Force.

Free-electron lasers for medical research

The Senate bill (sec. 202(1)) and the House amendment (sec. 205(1)) each contained a provision requiring that, of the funds authorized for the Strategic Defense Initiative (SDI) program, $12.5 million be available only for the application of Free-Electron Lasers (FEL) for medical research and associated material support and physical science research.

The conferees strongly support this program but are concerned with the response of the SDI office on this congressional initiative. The Congress authorized and appropriated $10 million for fiscal year 1985 to establish six regional centers throughout the United States and at the Uniformed Services University for the Health Sciences. To date, the Strategic Defense Initiative Organization

(SDIO) has been very slow in releasing the appropriated funds. The conferees understand that the SDIO now plans to provide these grants on a competitive basis, and they urge that this be done as expeditiously as possible.

The conferees emphasize the need to pursue this research in an efficient manner and agreed to an authorization of $12.5 million for fiscal year 1986.

Additionally, the conferees expect that the SDI office will assess its capability to effectively manage this program given its other requirements. Should the SDI office conclude that the program could be better managed at another activity and that this agency has the technical competence in free-electron laser and medical research, then the program should be transferred. The conferees expect funding for fiscal year 1987 and beyond to be requested by a more appropriate government activity.

Section 221 provides that $12.5 million is available only for the medical application of free-electron lasers and associated material and physical science research.

Marine Corps assault vehicles

The Administration requested $45.653 million for the Marine Corps Assault Vehicle program.

The Senate bill would provide authorization of $30.653 million; the House amendment would provide $16.802 million, a reduction of $28.851 million, which would delete the LVT-X vehicle as recommended by the Marine Corps.

The conferees agreed to an authorization of $20.802 million of which at least $4 million is available only for research, development and testing of the 75 millimeter multipurpose gun. Of this amount $500,000 is available for the Director of Test and Evaluation to evaluate the 75 millimeter gun system on wheel and track platforms for airbase ground defense and other applications. In the event additional funds are required, the Marine Corps should initiate a request for reprogramming.

Navy undistributed reduction

The House amendment would apply an undistributed reduction against the Navy RDT&E account of $37.5 million. This is the amount provided in past years for the Mark 92 Fire Control System Phase III upgrade program which has been discontinued.

The conferees agreed to reduce the Navy RDT&E account by $37.5 million.

New threat upgrade

The Administration requested $54.034 million for the Navy's New Threat Upgrade development program. The Senate bill would authorize no funds; the House amendment would authorize the full amount.

The Senate bill denied funds because the Navy had not provided a report requested last year explaining how the funds were being used and what funding would be requested in the future. Subsequently, the Navy provided this information in classified correspondence.

The conferees agreed that the program deserved full support, and accordingly agreed to an authorization of $54.034 million.

Range improvement program

The Administration requested $62.166 million for the Air Force Range Improvement program.

The Senate bill would provide authorization for $47.166 million; the House amendment would provide $59.166 million.

The conferees agreed to an authorization of $54 million. The reduction in this program is intended as a general reduction resulting in a constant level of effort from fiscal year 1985. The conferees do not intend that any of this reduction will be applied to the procurement of the five modular threat emitters as planned by the Air Force for fiscal year 1986.

Rankine cycle energy recovery

In the Senate report (S. Rept. 99-41) accompanying S. 1160, the Department of Defense Authorization Act for fiscal year 1986, the Senate Armed Services Committee expressed doubt that the Navy's Rankine Cycle Energy Recovery (RACER) program will be cost effective if cost thresholds for development or procurement are exceeded.

The conferees agreed that RACER's operational effectiveness and actual costs will be more accurately reflected if the system is tested in a DD-963 class destroyer as soon as possible rather than onboard a civilian ship.

Seafire

The Administration requested $48.717 million for the Navy's Semi-Active Laser-Guided Projectile/Electro-Optic Sensor development program, which included $25.8 million for Seafire. The Senate bill would authorize $22.917 million, which would delete $25.8 million and all funds for development of Seafire. The House amendment would authorize $44.717 million, a reduction of $4 million.

The conferees continue to be concerned about the cost of this system and its worth as compared to other potential improvements of the DDG-51 design. Accordingly, the conferees agreed that the Seafire program should be terminated if the cost per unit exceeds $4 million per unit. The Navy should explore alternatives, in case the price exceeds this threshold.

The conferees agreed to authorize $44.717 million for the SAL-GP/EO Sensor program.

Short range attack missile II

The Administration requested $78.958 million for research and development of the Short Range Attack Missile II (SRAM II) formerly designated the Advanced Air-to-Surface Missile. The Senate bill would authorize $53.958 million. The House amendment would deny all authorization for the program. The conferees agreed to authorize the program at $35 million.

The conferees concur in the requirement to provide a bomber force weapon that will be effective against mobile targets. The conferees require additional information, however, regarding the relationship between this requirement and the characteristics being considered for the SRAM II, particularly supersonic speed, before committing to full scale development.

The conferees also agree with the resource concerns raised by the Senate Armed Services Committee report with respect to this program and concur in the study directed by the Senate. The conferees further direct that the report addressing an austere version of the SRAM II be expanded to include consideration of and justification for SRAM II requirements and associated missile performance characteristics. This report should be provided to the Committees on Armed Services of the Senate and the House of Representatives not later than February 1, 1986.

Submarine research and development programs

The Senate bill would make reductions to several Navy research and development programs which would not adversely effect the SSN-21 new design submarine development program.

The Administration requested $22.414 million for the Submarine Sonar Development (Advanced) program; the Senate bill would provide $12.506 million, a reduction of $9.908 million. The request for Submarine Hull Array Development (Advanced) was $13.206 million; the Senate bill would provide $8.211 million, a reduction of $4.995 million. The request for Submarine Tactical Warfare Systems (Engineering) was $49.798 million; the Senate bill would authorize $37.798 million, a reduction of $12 million.

These reductions were necessary to accommodate budget constraints. Accordingly, the conferees accepted the Senate position.

Surface ship navigation system

The Administration requested $2.841 million for the Surface Ship Navigation System development program. The Senate bill would authorize the full request; the House amendment would provide no authorization.

This program is developing ring laser gyroscope technology for use in navigation equipment for naval ships. The technology is already in commercial aviation use and promises to increase reliability and reduce maintenance costs relative to existing equipment in surface ships as well.

The conferees agreed to authorize $2.841 million for the Surface Ship Navigation System program, with the expectation that it will be used only to develop ring laser gypro equipment for shipboard navigation.

Surface ship torpedo defense

The Administration requested $45.199 million for the Surface Ship Torpedo Defense program. The Senate bill would authorize the full request. The House amendment would authorize $40.199 million, a reduction of $5 million.

The conferees have been informed that the Navy is restructuring this program, which will reduce the requirement for funding in fiscal year 1986.

The conferees believe the Navy should emphasize early delivery of interim equipment to the fleet and, accordingly, agreed to an authorization of $40.199 million.

Traffic control/approach/landing system (TRACALS)

The Administration requested $29.517 million for the Air Force Traffic Control/Approach/Landing System (TRACALS).

The Senate bill would recommend authorization of $19.517, the House amendment would provide authorization of $21.714 million, a reduction of $7.803 million to terminate the Microwave Landing System (MLS) project.

The Federal Aviation Administration (FAA) has made a substantial effort to obtain a detailed reprocurement data package for the competitive selection of a MLS. Subsequent FAA competitive procurements will include about 200 MLS for Air Force fixed bases. The conferees believe that the Air Force should take full advantage of the FAA effort to satisfy its tactical MLS requirements and should not develop a unique system. The Air Force can save both time and money by this approach and should submit a request to reprogram funds should they be required for the FAA effort.

The conferees agreed to authorize $21.714 million for TRACALS.

Trident II missile

The Administration requested $2,165.615 million for continued research and development for the Trident II missile. The Senate bill would fully authorize the request and the House amendment would reduce the request by $65.615 million. The conferees agreed to authorize the program at $2,130.615 million, a reduction of $35 million from the requested amount.

The conferees further agreed that efforts within the Trident II program to protect the option to accommodate a maneuvering reentry body and/or penetration aids should continue to receive priority attention, even at the reduced funding levels for the overall program.

Vertical launch system anti-submarine rocket

The Administration requested $37.444 million for the Navy's vertical launch system anti-submarine rocket (VLS ASROC) program. The Senate bill would authorize the full amount. The House amendment would authorize $27.3 million, a reduction of $10.144 million.

The conferees agreed that the VLS ASROC program should be completed so that ships with vertical launch cells will retain an ASROC launch capability.

The Navy stated that the full request must be approved to keep the program on schedule.

The conferees agreed to authorize $37.444 million for VLS ASROC. The House recedes.

PROGRAM LIMITATIONS

LEGISLATIVE PROVISIONS ADOPTED

Civilian pay (sec. 201(b))

The House amendment contained a provision (sec. 201(b)) that would allow for general authorization for civilian pay contingencies.

The Senate bill contained no similar provision.

The Senate recedes.

Reductions in authorization (sec. 202)

The House amendment contained a provision (sec. 207) that would specify certain reductions in authorization due to savings from lower inflation and prior-year cost savings.

The Senate bill contained no similar provision.

The Senate recedes with an amendment.

Transfers to prior-year funds (sec. 203)

The Senate bill contained a provision (sec. 201(f)) that would authorize the transfer of prior year funds to fiscal year 1986 authorization of appropriation.

The House amendment contained a similar provision (sec. 208).

The Senate recedes.

Limitations on funds for the Army (sec. 204)

The conferees adopted the following provisions contained in section 202 of the House amendment:

The provision that would authorize $52.836 million for the Missile/Rocket Components program of which $10 million would be for development for the Fiber Optics Guided Missile and $10 million would be for development of the Hypervelocity Missile.

The provision that would authorize $23.583 million for the stinger Missle program.

The provision that would authorize $18.989 million for the M1 E1 development program of which $15 million would be for a fuel-efficient modification for the AGT-1500 tank engine and that would require a report from the Secretary of the Army delineating a program plan to include total system cost and milestones for the AGT-1500 tank engine modification and a similar plan for the Advanced Integrated Propulsion system.

The provision that would authorize $20 million for the development, test integration, and evaluation of the Hellfire Missile for the Blackhawk helicopter.

The conferees adopted a modified provision contained in section 201(c) of the Senate bill that would authorize $42 million for the Software Initiative (STARS) program.

Limitation on funds for the Navy (sec. 205)

The conferees adopted the following provisions contained in section 203 of the House amendment:

A modified provision that would authorize $17.5 million for the Low-Cost Anti-Radiation Seeker program and that would require a report from the Secretary of the Navy delineating a program plan to include total system cost and milestones for this seeker program.

A modified provision that would authorize $4.464 million for the Advanced Mine Development program.

The modified provision that would authorize $4 million for unique Wallops Island Test Range activity.

The provision that would authorize $10 million for the Skipper/Practice Bomb program.

The provision that would authorize $1.5 million for a classified sensor development program.

Naval oceanography (sec. 205(a)(3))

The Senate bill contained a provision (sec. 201(b)) that would authorize $5.9 million for a new Navy research and development program to be called Naval Oceanography, which was not in the Administration request.

The House amendment would provide no authorization for this purpose.

The conferees agree with the rationale provided for the program in the Senate report (S. Rept. 99–41).

The conferees agreed to authorize $5.9 million for the Naval Oceanography program. Furthermore, the conferees agreed that any reductions in program elements 65861N (RDT&E) laboratory and facility management support) and 65862N (RDT&E instrumentation and material support) should not be applied against naval oceanographic research activities.

Quick reaction surveillance system (sec. 205(a)(4))

The House amendment contained a provision (sec. 203(5)) that would authorize $12 million for evaluation of the Quick Reaction Surveillance System (QRSS).

The Navy's preliminary tests of the QRSS produced encouraging results. This system could potentially augment the tactical and surveillance towed array sonar systems (TACTAS and SURTASS) at an attractive price.

The conferees agreed to authorize $12 million for lease of Quick Reaction Surveillance System equipment for further evaluation.

Five-inch/155 millimeter guided projectile competition (sec. 205(a)(8))

The House amendment contained a provision (sec. 203(a)(8)) that would authorize $2.5 million in research and development to establish a second source of production for the Navy's five-inch guided projectile and the Army's 155-millimeter guided projectile. These funds were not in the Administration request or the Senate bill.

The House conferees expressed concern that these projectiles are over-priced and believed that over $250 million could be saved through increased competition.

The fiscal year 1984 Department of Defense Authorization Act included language that preserved the option of soliciting a second source for the Navy projectile.

The conferees agreed to authorize $205 million to establish a second source for production of the Navy's five-inch guided projectile and the Army's 155-millimeter guided projectile.

Limitations on funds for the submarine advanced combat system (sec. 205(c))

The Administration requested $2.5.205 million for the Submarine Advanced Combat System (SUBACS) development program. The Senate bill would authorize the requested amount. The House amendment contained a provision (sec. 203(4)) that would authorize no funds for SUBACS but would authorize $190 million for a new program called the SSN–21 Combat System.

SUBACS has encountered cost, schedule and performance problems. The Navy projected that several hundreds of millions of dollars in increased development and procurement costs would accrue during the next decade if the original plan was pursued. In a move to reduce unnecessary costs and retain expected performance, the Navy has restructured the SUBACS program. The projected cost growth for development of SUBACS Basic is now approximately $100 million.

The conferees expect the Navy to take necessary action to cap the cost to complete development of the modified SUBACS and to preclude the prime contractor from using procurement contracts to recoup further cost growth. If the Navy is unable to achieve this, then development of the modified SUBACS Basic program should not be funded.

The conferees agreed to authorize $200 million for the SSN-21 Combat System (advanced and engineering) program. This authorization may be used for completion of the modified SUBACS Basic program only after complying with the restrictions stated in the bill. Additionally, the conferees agreed that authorization provided for the SSN-21 Combat System program in fiscal year 1986 may be used for Project X1411 Attack Submarine Integrated Communication which was included in program element 64524N but which was separate from the SUBACS project.

Rolling airframe missile (sec. 205(d))

The Administration requested authorization for the 5" Rolling Airframe Missile (RAM) in two programs: $10.948 million for the Rolling Airframe Missile development program, and $8.047 million for NATO Sea Sparrow for the modification of the NATO Sea Sparrow shipboard launcher to accommodate RAM. The Senate bill would authorize $3.948 million for RAM development, a reduction of $7 million, and $3.047 million for NATO Sea Sparrow; the House amendment provided no authorization for either program.

The RAM program has incurred significant cost growth, largely as a consequence of reliability problems during developmental testing. The Navy stated its intention to request reprogramming of up to $39 million in fiscal year 1985 for RAM development. Moreover, none of the 30 missiles authorized in the weapons procurement account in 1985 will be purchased, and considerably fewer than the 117 missiles requested will be procured in 1986.

The conferees agreed to authorize $3.948 million for RAM development and $3.047 million for the NATO Sea Sparrow program; however, neither this authorization nor the authorization to procure rolling airframe missiles in the Navy weapons procurement account may be obligated or expended until the Secretary of the Navy complies with the restrictions stated in section 205(d) of the bill.

Acquisition of antisubmarine warfare (ASW) training systems (sec. 205(e))

Section 1208 of the House amendment would make available $6.8 million of the amount appropriated pursuant to the authorization for Research, Development, Test and Evaluation, Navy, only for the purchase of three service test models of the LAMPS MK-1 ASW shipboard training system for the Naval Reserve.

The Senate bill did not contain a similar provision.

The conferees agreed on the need for improved ASW training systems for the Naval Reserve and that such systems should be procured in a completely competitive and in the most cost-effective manner. Accordingly, the conferees agreed to include a provision directing the Secretary of the Navy to initiate a competitive procurement of three service test models of a LAMPS MK-1 ASW shipboard training system for the Naval Reserve. The provision specifies that $6.8 million of the RDT&E, Navy funds appropriated pursuant to the authorization in this Act may not be obligated before such procurement.

The Senate recedes with an amendment requiring competitive procurement.

Limitation on funds for the Air Force (sec. 206)

The conferees adopted the following provision contained in section 204 of the House amendment.

The provision that would authorize $60 million for RDT&E for the Integrated Electronic Warfare System and the Integrated Communication, Navigation, and Identification Avionics System.

A modified provision that would authorize $22 million for the RDT&E to modify Air Force F-4 air defense aircraft.

The provision that would authorize $19.57 million for a classified reconnaissance system.

A modified provision contained in section 202(5) of the House amendment that would authorize $15 million for the Pave Tiger system.

The Senate bill contained a provision (sec. 201(d)(1)) that would authorize $193.8 million for the Very High Speed Integrated Circuits (VHSIC) program. The House amendment (sec. 204(4)) would authorize $223.8 million for this program. The conferees agreed to authorize $211.276 million for VHSIC.

The conferees adopted a provision contained in the Senate bill (sec. 201(d)(2)) that would authorize $11.742 million for the Software Engineering Institute.

Limitation on funds for the Defense Agencies (sec. 207)

The conferees adopted the following provisions contained in section 205 of the House amendment:

A modified provision that would authorize $300 million for the Joint Advanced Systems program. Details on this provision are contained in the classified annex.

The provision that would authorize $1 million to conduct a demonstration of advanced clothing manufacturing technology.

The provision that would authorize $500 thousand for the Military Sewn Products Automation Program.

The conferees adopted the provision contained in section 201(e) of the Senate bill that would authorize $142 million for the Strategic Computing Initiative.

University research initiative (sec. 207(a)(2))

The Senate bill would fully authorize the Administration's request of $25 million for university research. The Senate bill also contained a provision (sec. 202(2)) that would authorize not less than $1 million of the total authorization for University Research to programs at Syracuse University. The House amendment contained a provision (sec. 205(4)) that would authorize $181.25 million for the University Research Initiative program under Defense Agencies and $18.75 million under the other three service accounts for a total authorization of $200 million.

The conferees strongly endorse the purpose of this initiative, which includes providing fellowship aid in the scientific and technical disciplines, and modernizing the scientific equipment and instrumentation at our universities. The conferees do not believe, however, that the Department of Defense should bear the total, or even majority, burden of this initiative. To this end, the conferees direct that no funds in this Act be obligated for this purpose until the Administration provides to the Armed Services Committees of the Senate and House of Representatives a report stating the resource commitment of non-DOD agencies to this initiative and 15 calendar days have elapsed. Furthermore, the conferees believe that the Administration, and not the Congress, should be taking the lead on this national program, which is understood to be a level of effort of three years duration. Accordingly, the Administration is to ensure that the requisite level of funding for these purposes be included in the budget submissions of the Department of Defense and other appropriate agencies.

The conferees agreed to a provision in the Senate bill directing that $1 million of the University Research funds for the Defense Agencies be spent at the Syracuse University because of the special capabilities resident at that institution. The conferees do not consider or intend this action to establish a precedent with regard to the allocation of University Research funds, which the conferees intend to be awarded on the basis of merit following competitive procedures.

Limitation of funds for the joint tactical information distribution system (sec. 207(b))

The Senate bill would authorize $184.6 million for the Navy and $91.7 million for the Air Force for the development of discrete but interoperable Joint Tactical Information Distribution System (JTIDS) programs.

The House amendment would provide no authorization for either service but would authorize $150 million for the Defense Agencies to develop a common JTIDS. Additionally, the House amendment contained a statutory provision in section 205(2) that would require the authorization to be used only for this purpose.

The conferees agreed to an authorization of $200 million for the development of the Joint Tactical Information Distribution System (JTIDS). Currently both the Air Force and Navy are developing JTIDS systems that are interoperable but not common. According to the Department of Defense, differences in operational requirements between the Air Force and Navy justify the development of two separate systems.

The conferees believe that communications equipment interoperability among the services (and NATO) must be maintained. No equipment should be developed to meet the peculiar needs of any one service if that equipment ultimately diminishes the ability of all the services to interoperate. Furthermore, wherever the operational requirements of the services are substantially similar every reasonable effort should be made to achieve commonality in the development and procurement of system components.

The conferees agree that, if feasible and practicable, the services should be equipped with common JTIDS equipment. The Secretary of Defense is, therefore, directed to review the current Navy and Air Force JTIDS programs and select one for use by both services if he determines that such a selection is both feasible and practicable. In making this determination, the Secretary shall take into full account the essential military requirements of all services.

Of the funds authorized for the research and development of JTIDS, the conferees agreed that none shall be obligated or expended until the Secretary of Defense reports his decision to the Committees on Armed Services of the Senate and House of Representatives.

Notwithstanding the Secretary's decision (whether to continue one program or two), should any approved plan be developed that would modify the JTIDS equipment of any service in a way that would diminish interoperability, the Secretary shall immediately notify the Committees on Armed Services of the Senate and House of Representatives.

Limitation on testing of antisatellite weapons (sec. 208)

The Senate bill contained a provision (sec. 952) that would restrict the F-15 launched Miniature Homing Vehicle (MHV) Antisatellite (ASAT) System to three tests against an object in space following a Presidential certification as specified in Public Law 98-473 (98 Stat. 1941) unless the President provided the same certification prior to a fourth test of the system. Subject to these certifications, the Senate bill contained no limitation on the number of such tests that could be conducted. The House amendment contained a provision (sec. 213) that would deny authorization for any test of this system against an object in space unless the Soviet Union conducts another test of a dedicated antisatellite system against an object in space. The House amendment would also provide for $20 million in additional authorization for the Air Force Space Survivability program.

The conferees agreed to limit the number of tests of the U.S. MHV ASAT system against an object in space to three through the end of fiscal year 1986 following the Presidential certification. The conferees also agreed to authorize $16.1 million for the Space Survivability program of which $15 million is for the Satellite Survivability project.

Small Intercontinental Ballistic Missile (SICBM) Program (sec. 209)

The Senate bill contained a provision (sec. 203) that would require that, before any decision may be made by the Administration with regard to the full scale development of a SICBM, the Secretary of the Air Force shall prepare and submit to Congress a legislative environmental impact statement.

The House amendment contained a provision (sec. 204(5)) that would authorize an additional $150 million to carry out the RDT&E for the SICBM program. Section 211 of the House amendment would direct that a "Brick-Bat" priority continue for this program.

The conferees recommend that $100 million be added to the R&D program requested by the Administration. The conferees commend the Air Force for a well conceived and executed advanced development program that has been characterized by competition and by multiple approaches to the resolution of critical technical and cost uncertainties.

The conferees strongly support the concept of missile mobility and substantial decreases in throw weight in the interest of stability. The conferees require more information, however, about the extent to which the existing legislative weight constraint on the small ICBM has resulted in tradeoffs affecting payload or other features of the missile that relate to its military effectiveness, survivability or costs.

To enable the Armed Services Committees to address these matters fully, the conferees direct the Secretary of Defense to submit to the Committees on Armed Services of the Senate and House of Representatives by October 1, 1985, the report requested by the Senate Armed Services Committee. This report should address as well additional issues raised by the General Accounting Office report of July 8, 1985 on the Status of the ICBM Modernization Program.

The conferees further direct that an independent review of small missile and basing options be conducted by the Defense Science Board. The results of this review should be provided to the Committees on Armed Services of the Senate and House of Representatives prior to submission of the fiscal year 1987 defense budget.

The conferees recommend that a vigorous research program be conducted before the start of full scale development to resolve the technical issues, so that the Congress will have a basis to consider fully both the technical issues and broader policy matters raised by the small ICBM program.

In the interest of expediting the evaluation of environmental impacts so that the earliest possible initial operational capability for the small ICBM can be achieved, the conferees for the fiscal year 1985 Defense Authorization Act directed that a legislative environmental impact statement be prepared to address the peacetime environmental impacts of alternate basing modes and deployment areas. Section 209(c) of the fiscal year 1986 Defense Authorization Act provides statutory language to that same end.

Limitation of funds for the advanced medium-range air-to-air missile program (sec. 210)

The Administration requested $101.382 million for the Air Force and $17.051 million for the Navy for the research, development, test and evaluation of the Advanced Medium-Range Air-to-Air Missile (AMRAAM) program. The Senate bill would authorize $101.382

million for this program fully funding the Air Force request and reducing the Navy request to $9.0 million. The House amendment would deny all authorization.

The conferees seriously considered termination of the AMRAAM program. Development problems and cost increases have reduced the cost-effectiveness of the AMRAAM program to the point where any further increase in cost will justify termination of the program.

The conferees agreed to continue development of AMRAAM, authorizing $5 million for the Navy and $101.382 million for the Air Force, and to provide sufficient procurement funds to qualify an alternative manufacturer and institute producibility improvements for the missile. Section 210 to Title II would require the Secretary of Defense to certify that a fixed price type research and development contract has been signed with the developing contractor, and procurement costs of the program are capped. The Air Force is prohibited from obligating any of the procurement funds and $54.4 million of the R&D funds until the Secretary makes the required certification, which must occur by March 1, 1986. If certification is not received by that date, the entire program is terminated.

In addition, the conferees decided to provide $25 million to the Navy to begin development of a modified AIM-7 Sparrow missile with tail controls. The AIM-7 Tail Control missile program will provide an alternative to meet this critical mission requirement should AMRAAM be terminated. The conferees stress that AMRAAM remains a joint program between the Air Force and the Navy, and cautions the Navy that the Tail Control AIM-7 is not a substitute for continued Navy participation in AMRAAM.

Limitation on unspecified R&D funds pending HARM certification (sec. 211)

The Administration requested $258.0 million for the procurement of 904 High-Speed Anti-Radiation Missile (HARM) missiles for the Navy and $478.1 million for the procurement of 1,715 missiles for the Air Force. The Senate bill would authorize the amounts requested, the House amendment would reduce the Air Force request by $52.4 million. The conferees agreed to the authorization levels in the Senate bill.

The House bill also contained a provision (sec. 206) that would require various certifications from the Secretaries of the Navy and Air Force dealing with the missile's performance and production configuration compliance with the current technical data package. In recognition of the vital contribution made by the HARM missile to the survivability of our tactical air forces and the importance of ensuring the missile is capable of defeating all anticipated threat systems, the Senate conferees agreed to accept the House provisions.

The conferees note that one of the House provisions, requiring the tear down of a production missile to ensure compliance with the technical data package, has been completed though the official report has not been delivered to the committees. The preliminary findings of this effort are highly favorable and indicate no instances of noncompliance with the approved hardware and software design and no undocumented hardware or software changes, and revealed no critical deficiencies (i.e. instances of hardware or software nonconformance which would have led to missile failure). Furthermore, the auditing team rated the manufacturer's quality assurance procedures as "Excellent".

The missile audit did determine that discrepancies in the government's engineering drawings exist but that missiles are being constructed in accordance with the manufacturer's drawings which are complete. The conferees agreed that all necessary steps to update the government's drawings should be taken.

The conferees agreed to restrict the expenditure of $100 million of unspecified Navy R&D funds and $50 million of unspecified Air Force R&D funds until the Secretaries of the Navy and Air Force provide the requested certifications.

LEGISLATIVE PROVISIONS NOT ADOPTED

Standard missile improvement

The House amendment contained a provision (sec. 203(3)) to authorize $60 million for Standard Missile Improvements.

The Senate bill contained no similar provision.

The conferees agreed to authorize $47.185 million for this program with no language in the conference report.

The House recedes.

Munitions lift trailer

The Senate bill would provide authorization to release $3.8 million in prior year funds to initiate full scale development of the Simplified Munition Lift Trailer (SMLT) and contained a provision (sec. 205) that would require that these funds be used for this purpose. The House amendment contained no similar provision.

The Senate recedes.

STRATEGIC DEFENSE INITIATIVE

LEGISLATIVE PROVISION ADOPTED

Strategic Defense Initiative funding (sec. 221)

The Administration requested $3.72 billion for the Strategic Defense Initiative (SDI) program. The Senate bill would provide $2.97 billion; the House amendment (sec. 205(1)) would provide $2.50 billion with specific reductions allocated against each of the five major program elements.

The conferees continue to be strongly supportive of a vigorous research effort under the President's Strategic Defense Initiative, with its goal of determining the feasibility of developing strategic defenses for the United States and its allies. Therefore, the conferees recommend an authorization of $2.75 billion in fiscal year 1986, with the allocation left to the discretion of the SDI program manager.

The conferees expressed a number of concerns about the SDI program as presented to the Congress this year. These concerns fall into three broad categories: (1) the apparent disparity between the evolving Administration policy with respect to strategic defense and the focus and scope of the SDI program; (2) the role of limited defenses in the program and the relationship between these technologies and the more advanced technologies being pursued; and (3) the relationship between the SDI technology program and U.S. arms control policy.

In the first category, the conferees would like the Administration to clarify what the main elements of an effective SDI would be and what specific technologies are likely to comprise such a system if a decision is made to develop and deploy it. The conferees would like information on the level of technological capability available in these technologies today, as well as the levels that would be required in order for a system comprised of these technologies to be effective and the plans the Administration has for overcoming these differences.

In the second category, the conferees question whether adequate emphasis is being given within the SDIO to near-term options. The conferees would like information on efforts underway on near-term options for defending U.S. strategic forces and whether they are necessary as a hedge against Soviet ABM activities and as a possible response to continued growth in Soviet offensive forces. In addition, the conferees would like information on the plans for defending against the Warsaw Pact's tactical and theater ballistic missiles armed with conventional, chemical or nuclear warheads. In general, the conferees desire information on the relative balance between the funding requirements and technology challenges associated with comprehensive defenses and those associated with near-term options.

In the final category, the conferees would like information on how the Administration has structured the SDI program to ensure that it is in full compliance with all U.S. arms control obligations. For example, the conferees desire to examine how the Administration has distinguished between permitted "research", and prohibited "development", and the ways in which planned technology demonstrations are to be conducted in a manner consistent with this distinction.

The conferees expect these concerns to be addressed by the appropriate Administration officials when the fiscal year 1987 defense budget request is presented to the Congress.

The conferees are also concerned that the structure and organization of the SDI Organization (SDIO) may not be optimally suited for an aggressive research and technology program. For example, the current relationship between the services and the SDIO does not appear to provide for the smooth and efficient management of the program. The SDIO apparently lacks the leverage necessary to manage the program effectively and requires more control of its budget.

The Defensive Technologies Study Team, chaired by Dr. James Fletcher, made the following recommendations regarding the management of the SDI program. "It is considered essential that the program be managed by a director who has responsibility for its execution and the authority and funds to do the job. The director must have direct control of the funds required, flexibility in the allocation of the funds and accountability for the outcome. He must have his own budget and have contracting authority."

Requirement for deployment (sec. 222)

The Senate bill contained a provision (sec. 916) that would require certain Presidential certifications prior to any deployment of an SDI system.

The House amendment contained no similar provision.

The conferees do not intend this provision to apply to individual systems, which might be components of a future strategic ballistic missile defense system, but whose primary purpose is not strategic defense related at the time of deployment. For example, an improved missile warning system, intended as a replacement of the existing system, would not be covered by this provision.

The House recedes.

Report in potential responses (sec. 223)

The House amendment contained a provision (sec. 210) that would require a report from the Secretary of Defense on probable enemy responses to an SDI deployment and cost estimates for the RDT&E, procurement, and deployment of SDI systems.

The Senate bill contained no similar provision.

The Senate recedes with an amendment.

Consultation with NATO (sec. 224)

The Senate bill contained a provision (sec. 957) that would urge the President to continue consultations with member nations of NATO in the SDI program.

The House amendment contained a similar provision (sec. 212).

The conferees agreed to adopt a modified version of the Senate provision. The House recedes with an amendment.

The conferees share the concerns about the transfer of sensitive technology contained in the House provision and consider the spirit of these concerns to be incorporated in the agreed language "within applicable United States national security guidelines".

Congressional expression on ABM treaty (sec. 225)

The Senate bill contained a provision (sec. 913) that would express full support for the Anti-Ballistic Missile (ABM) treaty of 1972 and that funding of the SDI program in no way implies a move to contravene this treaty.

The House amendment contained a provision (sec. 214) that would deny authorization for any SDI advanced development, demonstration, test, or evaluation of the use of weapons powered by nuclear explosions in space in a manner inconsistent with existing treaties.

The conferees agreed to adopt a modified provision that included the Senate bill provision and incorporated the language on the other treaties specified in the House amendment.

Report on strategic and theater ballistic missile defenses (sec. 226)

The House amendment contained a provision (sec. 1130) that would require the Secretary of Defense to conduct a study of early application of defenses against ballistic missile attacks on United States and allied high valued assets.

The Senate bill contained no similar provision.

The Senate recedes with an amendment.

LEGISLATIVE PROVISIONS NOT ADOPTED

Limitations on funding for AMRRC

The Senate bill contained a provision (sec. 202(1)) that would fence $9 million within the SDI for the Hardened Ballistic Missile Defense Materials Program, managed by the Army Materials and Mechanics Research Center (AMRRC). The conferees continue to support exploratory research in the area of strategic missile materials, particularly those areas which are required for effective defense against Soviet ballistic missiles. The Senate receded on this provision with the understanding that work on thermal protection systems, stiffened structural materials, and optical sensor materials under the Hardened Ballistic Missile Defense Materials Program will be funded as a minimum at the same level of effort as performed in fiscal year 1985.

Strategic defense initiative (SDI) impact studies

The Senate bill contained two provisions (sec. 954 and 955) that would have required studies of the impact that projected expenditures for SDI programs would have on research and development efforts for other government and civilian sectors of the economy.

The House amendment contained no similar provision.

The conferees are aware that a similar study is being performed by the House Appropriation Committee.

The Senate recedes.

SDI oversight commission

Section 1120 of the House amendment would direct the establishment of a Congressional Commission to monitor the progress of the Strategic Defense Initiative (SDI) program.

A similar provision was rejected by the Senate during debate of the Senate bill. The Senate Armed Services Committee agreed during the debate to appoint a limited number of advisors to provide the committee with a view, independent of that of the Executive branch, of the SDI program.

The conferees agreed that the Committees on Armed Services of the Senate and House of Representatives would separately appoint advisors to provide the respective committees with independent views of the SDI program.

The House recedes.

Presidential SDI commission

The House amendment contained provisions (sec. 1151–1158) that would establish a Presidential Stategic Defense Initiative Commission. This provision contained guidelines for the membership and staff of the Commission, required that it report to the Congress six months after enactment of this act, and directed that it would cease to exist after submission of its final report.

The Senate bill contained no similar provision.

The conferees are aware of Administration plans establishing an advisory commission to provide independent assessments of the SDI program. The Secretary of Defense is directed to provide the

Committees on Armed Services of the Senate and House of Representatives with access to this commission through formal hearings and by providing the committees with the results of the Commission's work.

The House recedes.

TITLE III—OPERATION AND MAINTENANCE

OVERVIEW

ITEM OF SPECIAL INTEREST

Restoration of proposed five percent reduction in civilian pay

The Senate bill would authorize $768.2 million for the partial restoration of the Administration's proposed five percent reduction in civilian pay for fiscal year 1986. The Senate figure was derived by taking the Department of Defense budget reduction number associated with the five percent civilian pay reduction of $1,058.9 million and directing a pay absorption of $290.7 million.

The House amendment contained no specific authorization for this purpose, but included a general authorization in section 301(b) for such sums as may be necessary in the event Congress acts to restore the Administration's proposed five percent cut in civilian pay as reflected in the budget request.

The conferees agreed to an authorization of $1,054.5 million for the restoration of the Administration's five percent cut in civilian pay in fiscal year 1986 funded within the operation and maintenance budget request.

The House recedes with amendment.

OPERATION AND MAINTENANCE, ARMY
[Amounts in thousands of dollars]

Item	Senate bill	House amendment	Conference action
Request	20190630	20190630	20190630
Stock fund fuel refund	-27000	-28700	-28700
Industrial fund refund	-60000	-60000	-60000
Foreign Currency	-418400	-221600	-418400
Stock fund refund	-365400	-377700	-377700
Expense/investment criteria	-31000	-164100	-133100
Pay reduction restoration	262400		262400
Pay absorption	-72100		
Civilian end strength	-160300		-100000
Inflation reestimate	-11000	-11000	-11000
Base operation support	-30000	-25000	-30000
Command and control	-15000	-5000	-10000
Force modernization	-30000	-25000	-30000
Recruiting and advertising		-5000	
Administration/supervision		-3000	-3000
Other combat equipment activities		-2000	-2000
Mechanization of the Corps Engineers		-1000	-1000
Displaced equipment		-3000	-3000
Infrastructure support		-1000	-1000
Contracting initiatives		-5000	-5000
Communications		-10000	-10000
TRIMIS		-3000	
Capital expense equipment		-1000	-1000
Other personnel activities		-2000	-2000
Civilian training		-1000	-1000
Operational support		-3000	-3000
Master Planning		-5000	
Area oriented depot modernization		-2000	-2000
Administration		-20000	-20000
Personal services contracting		-3000	-3000
Contract studies		-10000	-5000
Improper use of O&M funds		-15000	-15000
Audit follow-up		-10000	-10000
Year-end spending		-6000	-6000
AAFES lease payments		-1000	-1000
Design costs of NAF projects		-1000	-1000
Family programs		-10000	-10000
ADP management		-15000	-15000
Financial management		-5000	-5000
Excess property		-5000	-5000
Inventory control		-10000	-5000
Real property maintenance		50000	50000
Depot maintenance		11000	11000
Other	-2500	-2700	-2735
Rounding adjustment	-44		-44
Total adjustments	-960300	-1017800	-1013279
Amount authorized	19230330	19172830	19177351

Family programs

The House amendment included a reduction of $10 million in the Army's Family Action Program.

The Senate bill contained no similar reduction.

The conferees agreed that the reduction could be allocated to all family programs rather than to only the Family Action Program.

The Senate recedes.

OPERATION AND MAINTENANCE, NAVY
[Amounts in thousands of dollars]

Item	Senate bill	House amendment	Conference action
Request	25797700	25797700	25797700
Stock fund fuel refund	-119700	-119700	-119700
Industrial fund refund	-70000	-70000	-70000
Foreign Currency	-198800	-166700	-198800
Stock fund refund	-680400	-638200	-680400
Expense/investment criteria	-42100	-223300	-181200
Pay reduction restoration	345700		345700
Pay absorption	-94900		
Military end strength	-19100	-15000	-19100
Civilian end strength	-49400		-49400
Inflation reestimate	-15000	-15000	-15000
Base operation support	-30000	-35000	-35000
Command and control	-15000		-15000
Inactive ship rework	-75000		-75000
Recruiting and advertising		-1000	
Specialized training		-1000	-1000
Training support		-1000	-1000
Communications		-11000	-11000
Sealift		-16000	-16000
Naval sea systems command		-30000	-30000
Chief of naval operations		-1000	-1000
Navy military personnel command		-5000	-5000
Naval space command		-1000	-1000
Command and staffs		-1000	-1000
Cruise missile		-1000	-1000
Automatic data processing		-25000	-25000
Improper use of O&M funds		-20000	-20000
Audit follow-up		-10000	-10000
Year end spending		-10000	-10000
Small clubs		-1000	-1000
Financial management		-10000	-10000
Excess property		-5000	-5000
Contract studies		-10000	-10000
Real property maintenance		50000	50000
Depot maintenance		20000	20000
Law enforcement personnel on naval vessels		15000	15000
Other	-1100	-1400	-1925
Rounding adjustment	-28		-28
Total adjustments	-1064828	-1359300	-1188853
Amount authorized	24732872	24438400	24608847

OPERATION AND MAINTENANCE, MARINE CORPS
[Amounts in thousands of dollars]

Item	Senate bill	House amendment	Conference action
Request	1667400	1667400	1667400
Stock fund fuel refund	-1800	-1800	-1800
Foreign currency	-11200	-2800	-11200
Stock fund refund	-28000	-28000	-28000
Expense/investment criteria	-2900	-15400	-12500
Pay reduction restoration	15500		15500
Pay absorption	-4300		
Civilian end strength	-6700		-6700
Improper use of O&M funds		-2000	-2000
Real property maintenance		6000	6000
Rounding adjustment	22		22
Total adjustments	-39378	-44000	-40700
Amount authorized	1628022	1623400	1626700

OPERATION AND MAINTENANCE, AIR FORCE
[Amounts in thousands of dollars]

Item	Senate bill	House amendment	Conference action
Request	20924400	20924400	20924400
Stock fund fuel refund	-162800	-162800	-162800
Industrial fund refund	-70000	-65000	-70000
Foreign currency	-225200	-173300	-225200
Stock fund refund	-198800	-229400	-198800
Expense/investment criteria	-15500	-82100	-66600
Pay reduction restoration	201900		201900
Pay absorption	-55400		
Military end strength	-19100	-9000	-19100
Civilian end strength	-154900		-80400
Inflation reestimate	-13000	-13000	-13000
Base operation support	-30000	-15000	-30000
Command and control	-20000		-20000
Space operations	-50000	-20000	-50000
Interim contractor support	-10000	-20000	-20000
Inventory control points		-5000	-5000
Administration		-5000	-5000
Logistics support		-2000	-2000
Training and personnel		-1800	-1800
Communications divestiture savings		-10000	-10000
North warning radar		-6200	-6200
Strategic support		-5000	-5000
Software modernization		-2000	-2000
Medical		-2000	-2000
Telephone upgrade system		-5000	-5000
MAC industrial fund profits		-5000	
Contract support services		-22000	
ADP management		-25000	-25000
Improper use of O&M funds		-10000	-10000
Audit follow-up		-10000	-10000
Year end spending		-4000	-4000
Golf courses		-5000	-5000
Inventory control		-10000	-10000
Real property maintenance		35000	35000
Other	-900	-800	-1285
Rounding adjustment	-26		-26
Total adjustments	-823726	-890400	-828311
Amount authorized	20100674	20034000	20096089

OPERATION AND MAINTENANCE, DEFENSE AGENCIES
[Amounts in thousands of dollars]

Item	Senate bill	House amendment	Conference action
Request	7568900	7568900	7568900
Foreign currency	-14400	-3600	-14400
Stock fund refund	-14000	-14000	-14000
Expense/investment criteria	-3000	-16000	-13000
Pay reduction restoration	151400		151400
Pay absorption	-41500		
Civilian end strength	-38700		-38700
Command and control	-10000		-10000
JCS special fund	-50000	-50000	-50000
CHAMPUS	-25000	160000	
Defense communications agency		-4000	-4000
Defense logistics agency		-7100	-7100
American forces information agency		-2000	-2000
Medical information systems		-3000	-3000
Office of dependent education		-2000	
Office of the Secretary of Defense		-1000	-1000
Washington Headquarters Service		-1000	-1000
Office of the Joint Chief of Staff		-1000	-1000
Contract studies		-10000	-10000
Improper use of O&M funds		-2000	-2000
Year end spending		-7000	-7000
Automatic data processing management		-10000	-10000
Small clubs		-1000	-1000
Base operations support		-10000	-10000
Inventory control		-5000	-5000
Real property maintenance		20000	20000
Study of joint career specialty		100	100
Backlog of security clearances		25000	25000
Transportation of non-lethal aid to Afghanistan		10000	10000
Other	-20400	-17800	-17831
Rounding adjustment	-36		-36
Total adjustments	-65636	47600	-15567
Amount authorized	7503264	7616500	7553333

OPERATION AND MAINTENANCE, ARMY RESERVE
[Amounts in thousands of dollars]

Item	Senate bill	House amendment	Conference action
Request	779600	779600	779600
Stock fund fuel refund	-1100	-1100	-1100
Stock fund refund	-18200	-18200	-18200
Expense/investment criteria		-200	-200
Pay reduction restoration	12400		12400
Pay absorption	-3400		
Antiterrorism initiatives		4700	4700
Staffing for reserve paying offices		2700	
Training assistance by Readiness groups		3800	1000
Repair parts for area maintenance support activities		3600	
Over 40 medical screening		4000	700
Upgrade of communications		1200	1200
Total adjustments	-10300	500	500
Amount authorized	769300	780800	780100

OPERATION AND MAINTENANCE, NAVY RESERVE
[Amounts in thousands of dollars]

Item	Senate bill	House amendment	Conference action
Request	954500	954500	954500
Stock fund fuel refund	-7000	-7000	-7000
Stock fund refund	-40600	-40600	-40600
Expense/investment criteria	-3400	-17700	-14300
Pay reduction restoration	2700		2700
Pay absorption	-700		
Civilian end strength	-1700		-1700
Real property maintenance		7000	7000
Rounding adjustment	-10		-10
Total adjustments	-50710	-58300	-53910
Amount authorized	903790	896200	900590

OPERATION AND MAINTENANCE,MARINE CORPS RESERVE
[Amounts in Amounts in thousands of dollars]

Item	Senate bill	House amendment	Conference action
Request	61600	61600	61600
Stock fund refund	-4200	-4200	-4200
Expense/investment criteria		-100	-100
Pay reduction restoration	200		200
Pay absorption	-100		
Civilian end strength	-600		-300
Rounding adjustment	-30		-30
Total adjustments	-4730	-4300	-4430
Amount authorized	56870	57300	57170

OPERATION AND MAINTENANCE, AIR FORCE RESERVE
[Amounts in thousands of dollars]

Item	Senate bill	House amendment	Conference action
Request	907700	907700	907700
Stock fund fuel refund	-7400	-7400	-7400
Stock fund refund	-7000	-7000	-7000
Expense/investment criteria	-200	-1000	-800
Pay reduction restoration	14000		14000
Pay absorption	-3800		
Civilian end strength	-12500		-12500
Distribution aircraft engines		1800	1800
Real property maintenance		7500	
SOF readiness enhancement		6300	6300
Rounding adjustment	44		44
Total adjustments	-16856	200	-5556
Amount authorized	890844	907900	902144

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD
[Amounts in thousands of dollars]

Item	Senate bill	House amendment	Conference action
Request	1605200	1605200	1605200
Stock fund fuel refund	-3200	-14100	-14100
Stock fund refund	-28000	-28000	-28000
Expense/investment criteria	-1000	-5000	-4000
Pay reduction restoration	25900		25900
Pay absorption	-7100		
Civilian end strength	-200		-200
Civilian technicians		35000	35000
Federal funding for armory operating costs		20000	4000
Mod or repair of workspaces full-time NG personnel		6000	1000
Partial federal funding for major repair & renovation		7000	1000
Rounding adjustment	20		-20
Total adjustments	-13580	20900	20580
Amount authorized	1591620	1626100	1625780

Additional authorization for the Army National Guard

The House amendment included $33 million in additional authorization for the following three initiatives designed to improve the Army National Guard's ability to support increased full time manning and civilian technician requirements.

First, $20 million was authorized to provide Federal funding for armory operational costs (including utilities, and communications costs) for the support of full-time National Guard personnel who are paid by the Federal government and whose function is to increase the mobilization capability and readiness of the Army National Guard.

Second, $6 million was authorized for full Federal funding for modification and repair of offices and/or other work space required in National Guard armories to accommodate full-time National Guard personnel.

Lastly, $7 million was authorized to provide partial Federal funding for major repair costs at National Guard armories, such as heating system repair and renovation and roof repair.

The Senate bill contained no similar authorization.

The conferees agreed to authorize $4 million for Federal funding of armory operational costs and $1 million each for Federal funding for armory modification and repair, and partial Federal funding for major repair costs. The conferees also agreed to a provision that would authorize, in addition to the amounts otherwise authorized, such additional funds as necessary for the above initiatives to increase the Army National Guard's support for increased full-time personnel.

The Senate recedes with amendments.

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD
[Amounts in thousands of dollars]

Item	Senate bill	House amendment	Conference action
Request	1830100	1830100	1830100
Stock fund fuel refund	-20000	-20000	-20000
Stock fund refund	-15400	-14700	-15400
Expense/investment criteria	-900	-4800	-3900
Pay reduction restoration	26800		22400
Pay absorption	-7400		
Civilian end strength	-7000		-7000
Distribution aircraft engines		7500	
Rounding adjustment	-38		-38
Total adjustments	-23938	-32000	-23938
Amount authorized	1806162	1798100	1806162

OPERATION AND MAINTENANCE, OTHER DEFENSE
[Amounts in thousands of dollars]

Item	Senate bill	House amendment	Conference action
Board for the Promotion of Rifle Practice	920	920	920
Claims Defense	143300	148300	143300
Court of Military Appeals	3200	3200	3200
Pan Am Games	0	10000	10000
Amount authorized	147420	162420	162420

OPERATION AND MAINTENANCE, WORKING CAPITAL FUNDS
[Amounts in thousands of dollars]

Item	Senate bill	House amendment	Conference action
Army stock fund	393000	412000	393000
Navy stock fund	638500	681500	638500
Marine Corps stock fund	37700	42700	37700
Air Force stock fund	415900	439900	415900
Defense stock fund	174500	183500	174500
Amount authorized	1659600	1759600	1659600

Navy stock fund

The Senate bill authorized $638 million for the Navy Stock Fund, which was $78 million below the President's request.

The House amendment authorized $681.5 million for the Navy Stock Fund.

The conferees endorse the Senate report language directing that $59 million of the amount authorized for the Navy Stock Fund be utilized to procure and provide for retail supplies on a unit basis to outfit the Reserve Naval Construction Force.

The House recedes.

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

General authorization of appropriations for pay raises, fuel costs, and inflation adjustments (sec. 301(d))

The Senate bill contained a provision (sec. 302) to authorize additional appropriations as may be necessary for increases in salary, pay, retirement and other employee benefits authorized by law for Department of Defense civilian employees, and unbudgeted increases in costs associated with inflation and the price of fuel.

The House amendment contained a similar provision (sec. 301(b)). The House provision differed in that it did not authorize a civilian pay raise, but included a general authorization for "unbudgeted amounts for salary, pay, retirement, and other employee benefits authorized by law for Department of Defense civilian employees" in the event that Congress acts to restore the proposed five percent pay reduction for civilian employees of the Department of Defense.

The Senate recedes.

Limitation on the use of O&M funds to purchase investment items (sec. 303)

The Senate bill reflected a Department of Defense proposal that would redefine the investment and expense criteria. The proposal would eliminate the current $3,000 expense ceiling and permit all non-centrally managed equipment to be procured with operation and maintenance funds. Accordingly, the Senate operation and maintenance authorization contained $429.7 million to purchase the non-centrally managed items associated with this proposal.

The House amendment rejected the proposed change in the expense and investment criteria and contained a provision (sec. 303) that would prohibit the use of operation and maintenance funding in fiscal year 1986 to purchase expense items of equipment if the price of the item is $3,000 or more. In addition, the House amendment reflected the transfer of $429.7 million to the other procurement accounts to purchase non-centrally managed items costing more than $3,000.

The conferees agreed to raise the expense ceiling to $5,000 and to authorize $100 million in the operation and maintenance accounts to purchase additional expense items resulting from this change. The conferees would also encourage the Department of Defense to submit an in-depth study regarding the need for further changes in the expense and investment critieria. Such a study should include a proposed new dollar threshold, the number of non-centrally managed items valued at more than $5,000 expected to be procured with operation and maintenance funds under the proposed criteria by each service and defense agency, along with their associated dollar value. The study should also include discussion of options involving changes in procurement procedures that would increase the flexibility of installation commander to purchase non-centrally managed items.

The Senate recedes with amendments.

Support for Pan American games (sec. 304)

Section 305 of the Senate bill provided that $25 million of funds otherwise authorized to be appropriated could be used for Department of Defense support of the Pan American Games. Section 304 of the House amendment authorized $10 million in new obligation authority and required extensive justification for such expenditures.

The House recedes to the Senate with an amendment providing for $10 million in new obligation authority.

Transportation for humanitarian relief purposes (sec. 305 and 306)

The House amendment contained a provision (sec. 1105) that would authorize the appropriation of $10 million for the purpose of transporting nonlethal assistance to persons displaced or made refugees by the Soviet invasion of Afghanistan. The Senate bill contained no similar provision but did contain a provision (sec. 911) that would provide an extension and expansion of the authority of the Secretary of Defense to transport humanitarian relief, on a space-available basis, worldwide.

The conferees agreed that humanitarian relief measures for the Afghan refugees, including transportation of individuals for medical treatment, were worthy of support. However, the conferees also agreed that the distribution of humanitarian relief was the responsibility of the Department of State and that the conferees did not want to create a new foreign aid or refugee assistance program within the Department of Defense. Therefore, the Senate receded to the House provision with an amendment (sec. 305) that transportation for humanitarian relief purposes is to be provided under the direction of the Department of State. Nonetheless, the conferees were distressed at reports that the Department of State has been slow in distributing humanitarian supplies to the Afghan refugees and, therefore, urged that the Department of State redouble its efforts to provide assistance as rapidly as possible.

The House receded to the Senate provision on section 911.

Limitation concerning Air National Guard and Air Force reserve flying units (sec. 307)

The House amendment contained a provision (sec. 310) that would limit the use of funds to deactivate, or divest of its flying mission, Air Force reserve component flying units.

The Senate bill contained no similar provision.

The Senate recedes with an amendment permitting the use of funds for those purposes only following 60 days written notice to the Committees on Armed Services of the Senate and the House of Representatives.

Commissary and exchange privileges for survivors of certain reservists (sec. 308)

The House amendment contained a provision (sec. 307) that would allow the Secretary of Defense to authorize dependents of reservists who die on active duty to use commissaries and exchanges on the same basis as dependents of other members of the uniformed services who die while on active duty.

The Senate bill contained no similar provision.

The Senate recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Authorization for members of the Selected Reserve to have limited use of commissary services

The Senate bill contained a provision (sec. 534) that would authorize members of Selected Reserve components to use military commissary stores for a number of days each year equal to the number of days a member is on active duty.

The House amendment contained no similar provision.

The Senate recedes.

Reductions in authorization due to savings from cost savings

The House amendment contained a provision (sec. 308) specifying reductions in authorization due to cost savings identified by the Secretary of Defense after the House bill had been reported from committee. Section 308 also provided that all such reductions be applied as cost savings and without changing the quantity or quality of goods acquired by the Department of Defense.

The Senate bill contained no similar provision.

The House recedes.

TITLE IV—PERSONNEL AUTHORIZATIONS

PART A—ACTIVE FORCES

ACTIVE FORCES END STRENGTH

Active duty military strengths for the Marine Corps and the Air Force in the Senate bill and the House amendment differed by a total of 2,730. The conference agreement, 10,730 below the Administration's request, is summarized in the following table.

Active Forces	Administration request	House	Senate	Conference
Army	780,800	780,800	780,800	780,800
Navy	586,300	581,300	581,300	581,300
Marine Corps	199,500	199,500	198,800	198,800
Air Force	611,500	608,500	606,470	606,470
Total	2,178,100	2,170,100	2,167,370	2,167,370

PART B—RESERVE FORCES

RESERVE FORCES STRENGTH

Selected Reserve strength (sec. 411)

The Senate bill reduced the Administration's request for average strength for the Army National Guard, the Army Reserve, the Naval Reserve, the Marine Corps Reserve, the Air National Guard, and the Air Force Reserve by a total of 12,866. The House amendment reduced the Administration's request for the Army National Guard and the Army Reserve by a total of 2,672.

The conference agreement is summarized in the following table:

Reserve Forces	Administration request	House	Senate	Conference
Army National Guard	444,000	441,882	438,434	440,025
Army Reserve	291,900	291,346	288,830	290,639
Naval Reserve	134,400	134,400	131,270	134,212
Marine Corps Reserve	41,900	41,900	41,760	41,900
Air National Guard	108,700	108,700	107,950	108,700
Air Force Reserve	75,600	75,600	75,390	75,600
Coast Guard Reserve	12,500	12,500	12,500	12,500
Total	1,109,000	1,106,328	1,096,134	1,103,576

Full-time support (sec. 412)

The Senate bill froze full-time manning for all the reserve components at fiscal year 1985 levels, reducing the Administration's request for full-time support by 19,588. The House amendment reduced the Administration's request for full-time strength levels of the Army National Guard and the Army Reserve by a total of 4,900.

The conference agreement is summarized in the following table:

Full-time support	Administration request	House	Senate	Conference
Army National Guard	30,679	26,879	20,583	23,731
Army Reserve	14,714	13,614	10,700	12,157
Naval Reserve	19,510	19,510	15,210	19,010
Marine Corps Reserve	1,475	1,475	1,129	1,475
Air National Guard	7,269	7,269	6,469	7,629
Air Force Reserve	635	635	603	635
Total	74,282	69,382	54,694	64,277

The conferees remain concerned about the assignment and utilization of full-time active duty guardsmen and reservists in support of national guard and reserve units and headquarters. The conferees are concerned that the compensation and benefit program available to full-time reserve and guard members is virtually identical to that available to active duty personnel, despite the different conditions of service between these two groups. During the coming year, the conferees intend to review the full range of issues involving the question of full-time manning for the reserve components, including whether the full-time support should be provided by active duty personnel.

LEGISLATIVE PROVISIONS ADOPTED

Increase in number of certain personnel authorized to be on active duty in support of the reserve components (sec. 413)

In conjunction with the overall increases in full-time support, the Administration requested increases in the number of such personnel in the senior enlisted and officer grades.

The House amendment reduced the requested level consistent with reductions made in full-time manning. The Senate bill provided no increase.

The Senate recedes with an amendment reducing the level to reflect the reductions in full-time manning contained in section 412.

PART C—MILITARY TRAINING

MILITARY STUDENT TRAINING LOADS

The Senate bill contained a provision that would authorize 234 fewer personnel in the Air National Guard military student training load and 234 more personnel in the Air Force Reserve military student training load than the House amendment.

The House recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Eligibility of certain aliens for junior reserve officers' training corps

The House amendment contained a provision (sec. 535) that would authorize permanent residents and other legal aliens of a permanent nature to count toward establishing and maintaining the minimum enrollment standards for junior reserve officers' corps units and that would provide such persons with uniforms and equipment at government expense.

The Senate bill contained no similar provision.

The House recedes.

TITLE V—DEFENSE PERSONNEL POLICY

PART A—CIVILIAN PERSONNEL

LEGISLATIVE PROVISIONS ADOPTED

Civilian personnel end strength for fiscal year 1986 (sec. 501 and sec. 502)

The Senate bill contained a provision (sec. 421) that would authorize a fiscal year 1986 end strength for the Department of Defense civilian personnel of 1,065,970. In addition, the Senate bill reduced the Department of Defense operation and maintenance request by $432.0 million in accordance with the above reduction in the civilian personnel request.

The House amendment contained two provisions relating to the management of civilian personnel within the Department of Defense. Section 501 waived the requirement for a statutory civilian personnel end strength authorization for fiscal year 1986. Section 502 prohibits the management of Department of Defense civilian personnel by end strength constraints.

The Senate bill contained no similar provisions.

The Senate recedes on the fiscal year 1986 civilian personnel ceiling.

With respect to managing through end strength, the Senate recedes with an amendment limiting the prohibition to fiscal year 1986. The conferees direct that the Department of Defense submit to Congress quarterly reports to the House and Senate Armed Services Committees showing the execution of the funds authorized and appropriated for Department of Defense civilian personnel in fiscal year 1986. This report shall show:

(1) by service and appropriation account the amounts authorized and appropriated for Department of Defense civilian pesonnel for fiscal year 1986;

(2) the actual number of Department of Defense civilians and dollar obligations for civilian personnel overall and by appropriation account as of the end of that quarter; and

(3) the projected number and dollar obligations for Department of Defense civilian personnel by appropriation account through the remainder of the fiscal year, and the projected number of civilian personnel and dollar obligations for the entire fiscal year as of the end of that quarter.

The conferees also agreed to require reports from the Department of Defense and Office of Management and Budget no later than February 1, 1986 on the experience of the Department of Defense during fiscal year 1985 and 1986 (to the date of the report) concerning the management of the Department of Defense civilian workforce without a congressionally imposed civilian end strength. Each report shall also include the views of the Secretary of Defense or the Director of the Office of Management and Budget, as appropriate, with respect to the desirability of managing such personnel in such manner.

The conferees agreed to reduce the operation and maintenance accounts by $296.9 million with the understanding that such a reduction is not to be associated with civilian end strength, but a general productivity target reduction to encourage better management of civilian personnel and other resources within the Department of Defense.

Exercise of certain authorities relating to civilian employees of the Department of Defense (sec. 503)

The House amendment contained a provision (section 1201) that would authorize the Secretary of Defense, for purposes of civilian employees, to exercise (1) the authorities relating to the investigation of the suitability of applicants which are currently assigned to the Director of the Office of Personnel Management under section 5.2(a) of Executive Order Number 10577, and (2) the authorities relating to security requirements for Federal employees, which are currently assigned to the Office of Personnel Management under Executive Order 10450.

The Senate bill contained no similar provision.

The Senate recedes with an amendment that would require the President to provide, within 60 days of the date of enactment, guidance which was requested by an interdepartmental group studying the personnel security program of the Federal government. The amendment further would require the interdepartmental group to report its findings and recommendations to the Congress within 90 days of the date on which the requested guidance is provided by the President.

The amendment further would provide that the exercise of authorities which would be transferred to the Secretary of Defense shall not take effect if, on or before the date of the transmittal to Congress of the findings and recommendations of the interdepartmental group, the President directs that these authorities shall not be exercised by the Secretary of Defense. This authority of the President may not be delegated.

Modification and study of Department of Defense civilian personnel classification and pay systems (sec. 504)

The Senate bill contained a provision (sec. 536) that would authorize the Secretary of the Air Force to classify and pay civilian emloyees of the Air Force Institute Technology without regard to the provisions of chapters 51 and 53 of title 5, United States Code. In addition, the provision would require the Secretary of Defense to provide a report evaluating the effects of the pay and classification systems on recruitment and retention of Department of Defense scientific and engineering personnel no later than December 31, 1985.

The House amendment contained no similar provision.

The House recedes.

PART B—ACTIVE MILITARY PERSONNEL

LEGISLATIVE PROVISIONS ADOPTED

Marine Corps grade relief (sec. 511)

The House amendment included a provision (sec. 511) that would increase the authorized strength for Marine Corps majors by approximately 250 at current officer strength levels.

The Senate bill contained no similar provision.

The Senate recedes with an amendment reducing the amount of grade relief to approximately 200 majors at current officer strengths. The conferees relate the amount of this relief—and, indeed, the relief itself—to a mistake concerning the appropriate level for Marine Corps majors at the time the DOPMA grade tables were constructed.

The circumstances warranting this relief are unique to the grade of major in the Marine Corps. They appear neither in the other field grades in the Marine Corps nor in any of the field grades in the other services.

Service agreements of cadets and midshipmen (sec. 512)

The House amendment contained a provision (sec. 512) that would clarify the authority of the service Secretaries to require and enforce service agreements of cadets and midshipmen.

The Senate bill contained no similar provision.
The Senate recedes.

Transfers to and from temporary disability retired list (sec. 513)

The House amendment contained a provision (sec. 513) that would authorize: (1) placement of service members whose disabilities are permanent but unstable, on the temporary disability retired list (TDRL); and (2) retirement or separation of service members directly from the TDRL.

The Senate bill contained no similar provision.

The Senate recedes.

Change in title of grade of commodore to rear admiral (lower half) (sec. 514)

The House amendment contained a provision (sec. 514) that would change the title of the grade of commodore to rear admiral (lower half).

The Senate bill contained no similar provision.

The Senate recedes.

Flag officer ceilings (sec. 515)

The Senate bill included a provision (sec. 515) that would extend for one year the existing temporary authorities for one additional Air Force general, three additional Navy vice admirals, and one additional Marine lieutenant general. In addition, section 515 would authorize for one year an additional Marine general contingent on his serving as the commander-in-chief of the United States Central Command.

The House amendment contained a related provision (sec. 534) that would authorize for three years an additional lieutenant general or vice admiral for a service having an officer in that grade serving as director of the Department of Defense Task Force on Drug Enforcement.

The House recedes from disagreement to section 515 of the Senate bill. The Senate recedes from disagreement to section 534 of the House amendment with an amendment authorizing for one year an additional Army lieutenant general contingent on his serving as director of the drug task force.

Grade of retired regular members recalled to active duty (sec. 516)

The Senate bill contained a provision (sec. 535) that would provide that a retiree may not be recalled in a grade higher than the highest permanent grade held while on active duty.

The Senate bill contained no similar provision.

The Senate recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Increase in the number of deputy chiefs of naval operations

The Senate bill contained a provision (sec. 537) that would increase from six to seven the number of deputy chiefs of naval operations in the Department of the Navy.

The Senate bill contained no similar provision.

The Senate recedes.

Part C—Reserve Military Personnel

LEGISLATIVE PROVISIONS ADOPTED

Extension of certain reserve officer management authorities (sec. 521)

The Senate bill contained a provision (sec. 514) that would extend until September 30, 1987, the authority for determining grades for reserve medical officers, for promoting certain reserve officers on active duty, and for determining years of service for mandatory transfer to the retired reserve.

The House amendment contained a similar provision (sec. 521).

The Senate recedes.

Retention of reserve civilian technicians (sec. 522)

The House amendment contained a provision (sec. 522) that would authorize the Secretaries of the Army and the Air Force to retain in active status until age 60 reserve officers who are employed as civilian technicians in the national guard or reserve in positions that require membership in the national guard or reserve.

The Senate bill contained no similar provision.

The Senate recedes.

Authority to retain in active status until age 62 up to 10 Army Reserve major generals (sec. 523)

The House amendment contained a provision (sec. 523) that would authorize the Secretary of the Army to retain until age 62 up to 10 Army Reserve major generals.

The Senate bill contained no similar provisions.

The Senate recedes.

Requirement of muster test of Army Individual Ready Reserve (sec. 524)

The House amendment contained a provision (sec. 524) that would direct the Secretary of the Army to conduct a nationwide test of the Army's ability to mobilize the members of the Individual Ready Reserve and to submit a report on the results of the muster test to the Committees on Armed Services of the Senate and the House of Representatives no later than February 1, 1986.

The Senate bill contained no similar provision.

The Senate recedes.

Part D—Miscellaneous

LEGISLATIVE PROVISIONS ADOPTED

Appointments of warrant officers (sec. 531)

The House amendment contained a provision (sec. 531) that would conform service practices concerning appointments of warrant officers.

The Senate bill contained no similar provision.

The Senate recedes.

Prisoner of war medal (sec. 532)

The Senate bill contained a provision (sec. 928) that would authorize the President to award prisoner of war medals to service personnel who were taken prisoner and held captive on or after April 6, 1917.

The House amendment contained a similar provision (sec. 533).

The Senate recedes with an amendment vesting the Secretary concerned with the authority to issue the prisoner of war medal and eliminating the requirement that the medal be presented in the name of Congress.

Precedence of the award of the Purple Heart (sec. 533)

The Senate bill contained a provision (sec. 533) that would afford the Purple Heart a precedence not lower than immediately below the Bronze Star medal.

The House amendment contained no similar provision.

The House recedes.

Espionage Under the Uniform Code of Military Justice (sec. 534)

The House amendment contained a provision (sec. 1205) that would establish a capital espionage offense as a new Article 106a of the Uniform Code of Military Justice (UCMJ).

Similar to section 794(a) of title 18, United States Code, Article 106a(a) in the House provision would proscribe transmittal of defense information to a foreign government. The death penalty would be authorized under specified conditions, such as transmittal of information about a major weapons system. Similar to section 794(b) of title 18, Article 106a(b) in the House provision would proscribe wartime transmittal of defense information to the enemy.

Subsections (c), (d), and (e) of Article 106a, the capital sentencing provisions of the House provision, were derived from Federal Criminal Code legislation approved by the Senate in the 98th Congress (S. 1765, similar to S. 239 and H.R. 343 in the 99th Congress). They would establish procedures for adjudging the death penalty in espionage cases.

The House provision was not intended to affect the validity of existing death penalty provisions in the UCMJ or the capital sentencing procedures promulgated by the President in the Manual for Courts-Martial, 1984.

The Senate bill contained no similar provision.

The Senate recedes with an amendment.

The conferees agreed to establish a capital military offense patterned after section 794(a) of title 18. This will correct a substantial deficiency under current law, in which the maximum penalty a court-martial may adjudge is 10 years confinement for peacetime espionage or for wartime espionage where it cannot be proved that the information was provided to the enemy or was gathered for the purpose of transmittal to the enemy.

The conferees carefully considered whether the broad language of section 794(a) should be revised prior to incorporation into the UCMJ, but decided not to make substantive changes in the language. The espionage statutes in the Federal Criminal Code are products of lengthy legislative debates. That background has played an important role in the trial of espionage offenses in the civilian sector, and the sweep of the statutes has been delimited by the courts. For example, section 794(a) has been interpreted as requiring determinations that the accused acted in bad faith and that the information passed not be of the type that is accessible to the public. See *Gorin* v. *United States*, 312 U.S. 19 (1941); *United States* v. *Heine*, 151 F.2d 813 (2d Cir. 1945), *cert. denied*, 328 U.S. 833 (1946). The continuing vitality of *Gorin* and *Heine* is illustrated by a number of recent cases that have cited one or both of these precedents concerning the meaning of section 794. See *United States* v. *Lee*, 589 F.2d 980, 990 (9th Cir. 1979), *cert. denied*, 444 U.S. 969 (1979); *United States* v. *Boyce*, 594 F.2d 1246, 1252 (9th Cir. 1979), *cert. denied*, 444 U.S. 855 (1979); *United States* v. *Truong Dinh Hung*, 629 F.2d 908, 918 (4th Cir. 1980); *United States* v. *Enger*, 472 F. Supp. 490, 507 (D.C.N.J. 1978).

The conferees adopted the language of section 794(a) for the new Article 106a to ensure that the treatment of the substantive offense by courts-martial and military appellate courts will be guided by applicable civilian precedents, including such cases as may arise in the future in the federal civilan system. The conferees intend that the statutory terms "instrument, appliance, or information" be interpreted in a manner consistent with modern defense technology, and that the statute encompass transmittal of chemical and biological agents, computer technology, and other matter related to the national defense that is not lawfully accessible to the public.

The new Article 106a(a) enumerates the kinds of espionage offenses for which the death penalty would be authorized. Proof of the circumstances establishing these offenses would be made during trial on the merits.

Nothing in the new Article 106a is meant to preclude a prosecution under any other article of the UCMJ, including a prosecution under the Federal Criminal Code's noncapital espionage statutes as incorporated through Article 134. Likewise, nothing in the new Article 106a is intended to alter the relationships between the Department of Defense and the Department of Justice as to the concurrent jurisdiction of the two Departments with respect to investigation and prosecution of espionage offenses.

The conferees did not adopt subsection (b) of Article 106a as proposed by the House, pertaining to wartime assistance to the enemy. Such offenses are governed adequately by current military law under Article 104 (aiding the enemy) and Article 106 (spies). The conferees also did not adopt subsections (c), (d), and (e) of Article 106a as proposed by the House, pertaining to procedures for adjudication of the death penalty.

The conferees did, however, adopt a statutory formulation of capital sentencing standards for espionage cases and intend that those standards be implemented in a manner consistent with the provisions of Rule for Courts-Martial 1004 of the Manual for Courts-Martial, 1984. The conferees do not intend that the enactment of statutory capital sentencing standards for the new Article 106a be construed as affecting the validity of the regulatory capital sentencing standards that already exist for the other capital punitive articles.

LEGISLATIVE PROVISIONS NOT ADOPTED

Sentence for spying

The Senate bill included a provision (sec. 951) that would make actual life imprisonment (no possibility of release) the minimum punishment for the civilian crime of espionage.

The House amendment contained no similar provision.

The Senate recedes.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

PART A—BASIC PAY AND ALLOWANCES

LEGISLATIVE PROVISIONS ADOPTED

Military pay raise for fiscal year 1986 (sec. 601)

The Senate bill included a provision (sec. 501) that would increase the rates of basic pay, basic allowance for quarters, and basic allowance for subsistence for members of the uniformed services by three percent effective on October 1, 1985.

The House amendment contained a similar provision (sec. 601) that would make the increase effective on January 1, 1986.

The House recedes.

VHA administration (sec. 602(a))

The Senate bill included a provision (sec. 503) that would limit the sum of a service member's variable and basic housing allowances to the member's actual housing costs.

The House amendment contained no similar provision.

The House recedes with an amendment of two parts. First, the word "actual" is deleted to permit statistical generalization with respect to housing costs other than rent or mortgage payments, such as utilities and maintenance. The conferees contemplate use of the 80th percentile of surveyed utilities and maintenance costs for a pay grade in a variable housing allowance area in computing a member's housing costs for purposes of this provision. Second, the sum of a member's variable and basic housing allowances is permitted to exceed the member's housing costs by up to half the difference between the housing costs and the sum of the prescribed housing allowances for the member's pay grade and area.

VHA data manipulation (sec. 602(b))

The Senate bill contained a provision (sec. 504(b)(4)) that would prohibit the use of certain administrative techniques with respect to variable housing allowance (VHA) survey data to prevent VHA rate inversion between members of different grades or to prevent VHA rates from falling when the survey data reflect falling prices.

The House amendment contained no similar provision.

The House recedes with an amendment permitting the otherwise prohibited practices (preventing rate inversions and reductions) if required to produce statistically valid results from limited survey data. Specifically, the amendment would permit the use of these practices to set VHA rates for groups of 50 or less persons of the same grade in the same housing survey area when the limited data might otherwise produce anomalous inversions or reductions in rates.

The conferees do not intend that statistical "smoothing" techniques ever be used solely to prevent pay inversions or to prevent reductions in VHA rates. The conferees recognize, however, that such techniques are often legitimately employed to produce valid statistical results, especially when the data for a particular VHA rate cell are limited in nature.

VHA and dependent status (sec. 602(c))

The House amendment included a provision (sec. 602(c)) that would expressly authorize the separate rates of the variable housing allowance for members with dependents and members without dependents.

The Senate bill contained no similar provision.

The Senate recedes.

VHA child support (sec. 602(d))

The House amendment included a provision (sec. 602(a)) that would deny the with-dependents rate of the variable housing allowance to certain members of the uniformed services who receive the basic allowance for quarters at the with-dependents rate solely by reason of their payment of child support.

The Senate bill contained no similar provision.

The Senate recedes.

Variable housing allowance in Alaska and Hawaii (sec. 603)

The Senate bill included a provision (sec. 502) that would install the variable housing allowance—in place of the overseas station housing allowance—in Alaska and Hawaii. Section 502 would also grandfather the status quo for service members already housed under the station housing allowance.

The House amendment contained a similar provision (sec. 603) that would also effect technical corrections in a related provision of the Department of Defense Authorization Act, 1985 (Public Law 98-525).

The Senate recedes with a amendment addressing an oversight in the grandfather clause.

Advance payment of basic allowance for quarters and variable housing allowance (sec. 604)

The Senate bill contained a provision (sec. 504) that would authorize the advance payment of basic allowance for quarters and variable housing allowance.

The House amendment contained a similar provision (sec. 604).

The Senate recedes.

Basic allowance for quarters for certain personnel on field and sea duty (sec. 605)

The Senate bill contained a provision (sec. 510) that would restrict the existing prohibition on payment of basic allowance for quarters to single members above pay grade E-6 without dependents on sea or field duty in excess of 90 days to those who perform such field or sea duty incident to a permanent change of station.

The House amendment contained a similar provision (sec. 605).

The House recedes with a technical amendment.

BAQ in overhaul (sec. 606)

The Senate bill included a provision (sec. 511) that would extend through fiscal year 1986 the existing authority to pay basic allowance for quarters for accommodations in lieu of quarters during ship overhaul.

The House amendment contained a similar provision (sec. 606).

The House recedes.

Increase of family separation allowance (sec. 607)

The Senate bill contained a provision (sec. 505) that would authorize an increase in the family separation allowance from $30 to $60 a month.

The House amendment contained no similar provision.

The House recedes.

PART B—TRAVEL AND TRANSPORTATION ALLOWANCES

LEGISLATIVE PROVISIONS ADOPTED

Temporary lodging expenses (sec. 613)

The Senate bill contained a provision (sec. 506) that would make reimbursement for temporary lodging expenses an entitlement.

The House amendment contained no similar provision.

The House recedes.

Allowances for transportation of baggage and household effects (sec. 614)

The Senate bill contained a provision (sec. 510g) that would authorize the payment of a monetary allowance of a member who provides all or part of the packing and crating labor in connection with the transportation of baggage and household effects during a permanent change of station move but who elects commercial hauling of the baggage and household effects. The provisions would also require the Secretary of Defense to report on the operation of the program and to submit legislative recommendations concerning the program within three years.

The House amendment contained no similar provision.

The House recedes with an amendment authorizing the payment of the monetary allowance until September 30, 1989, and requiring the Secretary of Defense to submit the report and legislative recommendations concerning the program not later than September 30, 1988.

Travel during ship overhaul (sec. 616)

The Senate bill contained a provision (sec. 510a) that would improve the existing entitlement of service members assigned to ships that are overhauled or inactivated away from the homeport to government funded round-trip transportation from the overhaul or inactivation site to the homeport.

The provision would authorize member travel after the 31st day and after every 60-day period thereafter; dependent travel from the homeport to the overhaul or inactivation site in lieu of providing member travel to the homeport under certain circumstances; and the option of electing trips in lieu of dependent travel, household goods transportation, and privately-owned vehicle transportation when, incident to an overhaul or inactivation, the ship undergoes a homeport change to the overhaul or inactivation port.

The House amendment contained a similar provision (sec. 618).

The House recedes with a technical amendment.

Test program for flat rate per diem system (sec. 618)

The House amendment contained a provision (sec. 616) that would authorize the service Secretaries to conduct a flat rate per diem test in fiscal year 1986 and to prescribe regulations governing the test.

The Senate bill contained no similar provision.

The Senate recedes.

Travel and transportation allowances for travel within the administrative limits of a member's duty station (sec. 619)

The House amendment contained a provision (sec. 617) that would—

(a) authorize certain travel and transportation allowances to members directed to perform overnight duty within the geographic limits of their duty station; and

(b) authorize reimbursement for parking fees incurred in connection with local travel.

The Senate bill contained no similar provision.

The House recedes on subsection (a) concerning travel and transportation allowances for overnight travel within the geographic limits of a service member's duty station; the Senate recedes on subsection (b) concerning reimbursement for parking fees.

Transportation for survivors of deceased member to attend the member's burial ceremonies (sec. 620)

The Senate bill contained a provision (sec. 510d) that would authorize travel and transportation allowances for the dependents of a member who dies while on active duty for a period of 30 days or more to attend the burial ceremonies of the deceased member.

The House amendment contained no similar provision.

The House recedes with an amendment clarifying that such allowances may be paid for travel from a foreign country to the United States if the member is assigned outside the United States at the time of death.

LEGISLATIVE PROVISIONS NOT ADOPTED

Increase in weight allowances for transportation of household goods

The Senate bill contained a provision (sec. 508) that would establish an entitlement to minimum household goods weight allowances by pay grade.

The House amendment contained no similar provision.

The Senate recedes without prejudice.

The conferees emphasize their support for the increases in household goods weight allowances requested by the Administration in the fiscal year 1986 budget and urge the Appropriations Committees to fund the program in full for fiscal year 1986. Notwithstanding this support, the conferees agreed not to establish an entitlement to minimum weight allowances by pay grade at this time because of a lack of sufficient data documenting what those minimum allowances should be. The conferees note that the General Accounting Office and the Department of Defense will be reviewing the current household goods weight allowance system and analyzing alternatives in the next six months. The conferees intend to reexamine the appropriate minimum levels for Department of Defense household goods weight allowances, as well as the overall differences for reimbursement for moving expenses between military and civilian employees following submission of these reviews and analyses.

Increase in death gratuity

The Senate bill contained a provision (sec. 510e) that would authorize an increase in the death gratuity to an amount equal to three months' basic pay, three months' basic allowance for quarters, and three months' basic allowance for subsistence, but not less than $3,000 nor more than $9,000.

The House amendment contained no similar provision.

The Senate recedes.

Transportation of motor vehicles for members making permanent changes of stations

The House amendment contained a provision (sec. 614) that would facilitate the shipment of a privately-owned vehicle (POV) during a permanent change of station move by repealing restrictive statutory language that provides that the shipment of a POV at government expense is only authorized when all, or a major portion, of the movement of the POV can be accomplished on an ocean vessel between customary ports of embarkation and debarkation.

The Senate bill contained no similar provision.

The House recedes.

Dependent student travel for members stationed in Alaska and Hawaii

The House amendment contained a provision (sec. 615) that would authorize travel for dependent students of members stationed in Alaska and Hawaii, except students attending school in Alaska and Hawaii.

The Senate bill contained no similar provision.

The House recedes.

PART C—BONUSES AND SPECIAL AND INCENTIVE PAYS

LEGISLATIVE PROVISIONS ADOPTED

Lump sum payment of selective reenlistment bonuses (sec. 631)

The House amendment contained a provision (sec. 631) that would provide that not less than 75 percent of the selective reenlistment bonus shall be paid at the beginning of the period covered by the bonus.

The Senate bill contained no similar provision.

The Senate recedes with an amendment delaying the effective date until October 1, 1986.

Officer career sea pay (sec. 634)

Under current law, the rates of career sea pay for officers do not increase after the officer has over 12 years of sea duty.

The Senate bill contained a provision (sec. 510f(e)) that would increase the rates of officer career sea pay for warrant officers in the grade of W-3 and W-4 with over 12 years of sea duty and would establish increased rates of career sea pay for warrant and commissioned officers with over 14, over 16, over 18, and over 20 years of sea duty.

The House amendment contained no similar provision.

The House recedes.

Hazardous duty incentive pay (sec. 635)

The Senate bill contained a provision (sec. 510f(a)) that would equalize the rates of various hazardous duty incentive pays for enlisted members with those of officers at $110 per month, would add handling of chemical munitions to the list of hazardous duty occupations, and would provide a payment of $165 per month for parachute jumping at high altitude with low opening.

In addition, the Senate provision would authorize payment of hazardous duty incentive pay for officer crew members involved in frequent and regular participation in aerial flight and would establish new rates of monthly incentive pay for crew member aerial flight duty.

The House amendment contained no similar provision.

The House recedes.

Aviation officer continuation pay (sec. 636)

The Senate bill included a provision (sec. 512) that would extend through fiscal year 1986 the existing authority to pay aviation officer continuation pay.

The House amendment contained a similar provision that would extend the authority through fiscal year 1988.

The House recedes with an amendment extending the authority through fiscal year 1987.

Engineering and scientific career continuation pay (sec. 637)

Currently, engineering and scientific career continuation pay may be paid to certain officers of the armed forces in critical shortage skills.

The Senate bill contained a provision (sec. 510f(j)) that would also authorize the payment of this special pay to members of the National Oceanic and Atmospheric Administration and the Public Health Service.

The House amendment contained no similar provision.

The House recedes.

Special pay for duty subject to hostile fire or imminent danger (sec. 638)

The Senate bill contained a provision (sec. 510f(g)) that would increase the rate of special pay for duty subject to hostile fire or imminent danger to that of the lowest hazardous duty incentive pay, would redefine the criteria for this special pay, and would redesignate it as special pay for duty subject to danger.

The House amendment contained no similar provision.

The House recedes with an amendment retaining the current name of this special pay as well as the criteria for payment.

Revision of special pay for dental officers (sec. 639)

The House amendment contained a provision (sec. 634) that would replace the current special pay and continuation pay for dental officers with a new variable special pay, additional special pay, and special pay for board certification modeled on the current special pay program for medical officers.

The Senate bill contained a provision (sec. 509) that would delay the effective date of section 8091 of the fiscal year 1985 Department of Defense Appropriation Act until September 30, 1985. Effective July 1, 1985, section 8091 of that Act would reduce by 50 percent the continuation pay for dental officers in skills manned at 95 percent or more.

The Senate recedes with an amendment making revisions in the rates of variable special pay and additional special pay and including a save pay provision to ensure that no dental officer receives less in total special pays under the new program than that dental officer is currently receiving under the present special pay and continuation pay programs.

Special pay for medical officers (sec. 640)

The House amendment contained a provision (sec. 635) that would provide that bankruptcy does not discharge the debt to the United States created by the failure to serve the period of service for which special pay for medical officers has been paid.

The Senate bill contained no similar provision.

The Senate recedes.

Selected reserve non-prior-service enlistment bonus (sec. 642)

The Senate bill contained a provision (sec. 513) that would extend the authority to pay the selected reserve enlistment bonus for two years, until September 30, 1987.

The House amendment contained a provision (sec. 641) that would extend the authority to pay the selected reserve enlistment bonus for five years, until September 30, 1990. In addition, the House provision would increase the maximum enlistment bonus authority from $2,000 to $5,000.

The House recedes.

Selected reserve reenlistment bonus (sec. 643)

The Senate bill contained a provision (sec. 513) that would extend the authority to pay the selected reserve reenlistment bonus for two years, until September 30, 1987.

The House amendment contained a provision (sec. 641) that would extend the authority to pay the selected reserve reenlistment bonus for five years, until September 30, 1990. In addition, the House provision would increase the maximum reenlistment bonus authority from $450 to $1,250 for a three-year reenlistment and from $900 to $2,500 for a six-year reenlistment.

The Senate recedes with an amendment limiting the bonus authority extension to two years.

Selected reserve prior service enlistment bonus (sec. 644)

The House amendment contained a provision (sec. 641) that would create a new selected reserve enlistment bonus for prior service personnel with less than 10 years of total military service. For enlistment in a designated unit or skill, the initial bonus payment would be a maximum of $1,250 for a three-year enlistment or $2,500 for a six-year enlistment with subsequent payments upon satisfactory completion of each year of the period of enlistment.

The Senate bill contained no similar provision.

The Senate recedes with an amendment limiting the bonus authority to two years and restricting eligibility to critical skills.

Selected reserve affiliation bonus (sec. 645)

The Senate bill contained a provision (sec. 513) that would extend the authority for payment of the selected reserve affiliation bonus for two years, until September 30, 1987.

The House amendment contained a provision (sec. 642) that would extend the authority to pay the selected reserve affiliation bonus for five years, until September 30, 1990. In addition, the House provision would increase the maximum payment from $25 per month to $75 per month for each month of remaining obligated service.

The Senate recedes with an amendment limiting the bonus authority extension to two years and reducing the maximum monthly payment from $75 to $50 per month for each month of remaining obligated service.

Individual ready reserve enlistment/reenlistment bonuses (sec. 646)

The Senate bill contained a provision (sec. 513) that would extend the authority for payment of the individual ready reserve non-prior-service enlistment bonus for two years, until September 30, 1987.

The House amendment contained a provision (sec. 645) that would extend the authority for payment of the individual ready reserve non-prior-service enlistment bonus for five years, until September 30, 1990.

The House recedes.

The Senate bill contained a provision (sec. 513) that would extend the authority for payment of the individual ready reserve prior-service enlistment/reenlistment bonus for two years, until September 30, 1987.

The House amendment contained a provision (sec. 645) that would extend the authority for payment of the individual ready reserve prior service enlistment/reenlistment bonus for five years, until September 30, 1990. In addition, the House provision would revise the current bonus by providing a payment of $750 for a three-year enlistment and $1,500 for a six-year enlistment. As a condition for receipt of this bonus, the individual would be subject to an annual muster or a period or periods of active duty for training of one or more days.

The Senate recedes with an amendment limiting the bonus authority extension to two years.

Selected reserve hazardous duty incentive pay (sec. 647)

Presently, members of the reserve and national guard receive hazardous duty incentive pay (HDIP) for frequent and regular flying during active and inactive duty for training periods. To receive active duty HDIP, the reservist must fly four hours each month or a pro rata share of days on duty. For inactive duty, the requirement is two hours each month or a pro rata share of days on duty. The excess hours flown during inactive duty may be credited toward active duty flight requirements, but the reverse is not permitted.

The House bill contained a provision (sec. 646) that would allow reserve and national guard members who are entitled to HDIP for flying to credit active duty or inactive duty training flight time to fulfill active or inactive duty flight time requirements.

The Senate bill contained no similar provision.

The Senate recedes. The conferees intend that this change be accomplished without any increase in the overall program cost of HDIP.

LEGISLATIVE PROVISIONS NOT ADOPTED

Diving duty pay

Under current law, a service member who is receiving special pay for diving duty may also receive one incentive pay for hazardous duty.

The Senate bill contained a provision (sec. 510f(c)) that would authorize a service member who is receiving diving duty pay to receive two payments of hazardous duty pay in lieu of one payment.

The House amendment contained no similar provision.

The Senate recedes.

Pay for duty at certain places

The Senate bill contained a provision (sec. 510f(d)) that would authorize the payment for duty at certain places to officers as well as to enlisted personnel, increase the rates for all personnel, delete the prohibition against payment to personnel serving in the continental United States or the District of Columbia, and permit the payment of this special pay to those serving at designated locations even though the service members may be from that location.

The House amendment contained no similar provision.

The Senate recedes.

Respsonsibility pay

The Senate bill contained a provision (sec. 510f(f)) that would authorize the payment of responsibility pay for warrant officers as well as for junior officers in pay grades O-1 and O-2 and would increase the maximum monthly rates from $150 to $200.

The House amendment contained no similar provision.

The Senate recedes.

Reenlistment bonus for enlisted members on active duty for training and administration of reserves

The House amendment contained a provision (sec. 644) that would permit payment of the selective reenlistment bonus to members of the reserve components serving on active duty in connection with organizing, administering, recruiting, instructing, or training reserves.

The Senate bill contained no similar provision.

The House recedes.

Selected reserve unit affiliation pay

The House amendment contained a provision (sec. 643) authorizing a payment of $10 per drill payable to enlisted personnel assigned to designated high priority selected reserve units.

The Senate bill contained no similar provision.

The House recedes.

PART D—HEALTH CARE MATTERS

LEGISLATIVE PROVISIONS ADOPTED

Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) dental care for active duty dependents (sec. 651)

The House amendment contained a provision (sec. 651) that would authorize the Secretary of Defense to establish a dental insurance program for spouses and children of active duty service members. The program would be based on voluntary enrollment, and the cost would be cost shared between the government and the service member. Coverage would be provided for preventive, diagnostic and emergency services, payable at 100 percent of charges, and for composite and amalgam fillings and dental appliance repair services, payable at 80 percent of charges. Collection of premiums from plan participants would be accomplished by payroll deductions.

The Senate bill contained no similar provision.

The Senate recedes with an amendment providing that no contracts can be signed and no funds obligated until September 30, 1986. In the meantime, the Secretary of Defense should proceed with development of the statement of work, issuance of the request for proposals, and receipt and evaluation of bids, so that operation of the new program can begin as soon as possible after September 30, 1986.

Enhanced health care benefits for survivors of certain reservists (sec. 652)

Under current law, survivors of reservists who die as a result of injury, illness, or disease in conjunction with active duty for training of 30 days or less are entitled to medical care from the Veterans Administration medical system. Survivors of reservists who die of an injury during inactive duty training are also entitled to medical care from the Veterans Administration. Such care is not provided, however, to survivors of reservists who die of illness or disease during inactive duty training.

The House amendment contained a provision (sec. 654) that would extend military medical care benefits to the survivors of reservists and guardsmen who die of injury, illness, or disease during either inactive duty training or active duty for training of 30 days or less.

The Senate bill contained no similar provision.

The Senate recedes.

Licensure requirement for defense health care professionals (sec. 653)

The House amendment contained a provision (sec. 657) that would require all health care professionals providing care independently in military medical facilities to possess a current license. This requirement would apply to military personnel, civilian employees of the Federal government, and contract employees. In addition, the House provision would impose a civil penalty of not more than $5,000 for violation of the licensure requirement.

The Senate bill contained no similar provision.

The Senate recedes with an amendment limiting the imposition of civil penalties to civilians.

Study of medical aspects of casualty resolution (sec. 654)

The House amendment contained a provision (sec. 656) that would direct the Secretary of Defense to establish an advisory panel on medical aspects of casualty resolution. Within 180 days after receipt of the penel's report, the Secretary would submit to Congress a report evaluating the panel's report, describing corrective actions taken by the Department of Defense, and making recommendations for legislation needed to implement the panel's recommendations.

The Senate bill contained no similar provision.

The Senate recedes with an amendment providing that, rather than establishing an advisory panel, the Secretary of Defense would conduct the study and provide a report of his findings to the Congress.

LEGISLATIVE PROVISIONS NOT ADOPTED

Elimination of Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) deductible and copayment for active duty dependents in remote locations

The House amendment contained a provision (sec. 652) that would eliminate the CHAMPUS deductible and copayment for dependents of active duty personnel living outside a military medical treatment facility catchment area.

The Senate bill contained no similar provision.

The House recedes.

Catastrophic loss protection under the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS)

The House amendment contained a provision (sec. 653) that would place an annual limit on deductibles and copayments under the CHAMPUS program of $1,000 per family for active duty personnel and $3,000 per family for retirees and survivors.

The Senate bill contained no similar provision.

The House recedes.

Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) coverage of organ transplants

The House amendment contained a provision (sec. 655) that would authorize the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) to cover non-experimental organ transplants.

The Senate bill contained no similar provision.

The House recedes.

Provision of home health care

The House amendment contained a provision (sec. 1189) that would authorize the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) coverage of home health services for chronically ill dependents of active duty personnel when such care is medically necessary, cost-effective, and not covered by other insurance.

The Senate bill contained no similar provision.

The House recedes.

PART E—MILITARY RETIREMENT

LEGISLATIVE PROVISIONS ADOPTED

Changing the military retirement system (sec. 666–667)

Both the Senate bill and the House amendment contained similar language with regard to changing the military retirement system.

The Senate bill contained provisions (sec. 541 and 542) that would reduce the total request for basic pay and retirement accrual by $1.8 billion (a10 percent reduction).

It would direct the Secretary of Defense to submit not later than September 1, 1985, a proposal to change the nondisability retirement system, other elements of military compensation, or other personnel programs (including promotion and retention) that would reduce the accrual charge by $1.8 billion, apply structural changes only to new entrants, and encourage longer service.

It also would require a separate report on the anticipated effects that the proposed changes would have on recruiting and retention. In addition, it would require a report on the impact of changes in retirement, compensation, or personnel programs that would be necessary to achieve savings equal to a 20 percent and a 30 percent reduction in the accrual charge.

The House amendment contained provisions (sec. 661 and 662) that would reduce the total request for basic pay and retirement accrual by $4 billion (a 22 percent reduction).

It would direct the Secretary of Defense to submit a proposal to change the nondisability retirement system that would reduce the accrual charge by $4 billion in fiscal year 1986, apply structural changes only to new entrants, and encourage longer service.

It also would require a separate report on a transition plan.

The conferees agreed to a ceiling on the total of basic pay and accrual charge that would require a $2.9 billion reduction in the accrual charge for the military retirement system. The Secretary of Defense would be required to submit a report (including draft legislation) proposing two separate changes; one of the changes would consist only of changes in the military retirement system other than changes in the procedure for periodic cost-of-living adjustments in retired pay. Each proposal must be sufficient to reduce the accrual charge by $2.9 billion.

The conferees agreed to require the reports and a proposal by September 15, 1985.

The conferees emphasize that the structural changes required by this provision are not to apply to any individual who is currently retired or who has entered the military before the effective date of the revised system. Only those who enter after the effective date are to be affected by the provisions of the new plan.

The conferees also agreed that the proposal submitted by the Secretary of Defense produce the required savings as a direct result of changing the active duty military nondisability retirement system. An accompanying report to be submitted by the Secretary, however, is also to evaluate possible ways to achieve savings through changes in other compensation elements or personnel programs.

The conferees agreed to require a report describing the changes necessary in retirement, compensation or personnel programs and the impact of such changes on recruiting and retention that would be necessary to achieve savings equal to $1.8 billion, $2.9 billion, $3.6 billion, $4.0 billion and $5.4 billion.

The conferees direct the Secretary of Defense to include in any report proposing changes an evaluation of the impact of such changes using the final assumptions, methodology, and computer models utilized by the Fifth Quadrennial Review of Military Compensation in its final report. This would be consistent with the requirement (contained in both bills) to use the actuarial assumptions used in the preparation of the fiscal year 1985 budget. If other assumptions are used to project alternate impacts, these assumptions are to be explicitly described and justified. Similarly, the conferees direct that the same measures employed by the Fifth Quadrennial Review be used in describing the impact of changes. If additional measures are used, they are to be clearly described and justified.

PART F—EDUCATIONAL ASSISTANCE BENEFITS

LEGISLATIVE PROVISIONS ADOPTED

Loan repayment (sec. 671)

Educational loan repayment program

The Senate bill contained a provision (sec. 521) that would make permanent the test program of using higher education loan repayment to attract high quality personnel to enlist in the selected reserve and active forces. This test program was first authorized by the Department of Defense Authorization Act, 1981, and has been extended on an annual or biennial basis since that time.

The House amendment contained no similar provision.

The House recedes.

Authorization to repay educational loans for certain health professionals who serve in the selected reserve

The House amendment contained a provision (sec. 647) that would repay a maximum of $3,000 in higher education loans for each satisfactory year of service completed in the selected reserve by a health professional in a wartime combat medical skill designated as critical by the Secretary of Defense. The maximum that could be repaid would be $20,000.

The Senate bill contained no similar provision.

The Senate recedes with an amendment limiting the authority for the program to three years, until September 30, 1988.

Selected reserve health professions scholarship (sec. 672)

The House amendment contained a provision (sec. 648) that would expand the Armed Forces Health Professions Scholarship Program to permit an individual to fulfill the required military service obligation in the selected reserve. The minimum repayment period would be two years of service for each year of education received. The House provision would also increase the number of scholarships from 5,000 to 7,500.

The Senate bill contained no similar provision.

The Senate recedes with an amendment limiting the number of scholarships to 6,000 and requiring a three-year service commitment for each year of scholarship assistance.

As stated in the House committee report, the conferees intend that this authority be used only for specialty training in combat medical skills. The conferees further intend that the authority be limited to operating room nurses, nurse anesthetists and surgeons.

The conferees direct the Secretary of Defense to submit a report to the Committees on Armed Services of the Senate and House of Representatives not later than February 1, 1987, on the results of this expanded scholarship authority.

Right of member to transfer educational entitlement to spouse or dependent child (sec. 673)

The Senate bill contained a provision (sec. 523) that would correct a problem created by the incorrect implementation by the

Navy of the educational assistance test program authorized by section 901 of the Department of Defense Authorization Act, 1981.

The House amendment contained no similar provision.

The House recedes.

Changes to the Veterans' Educational Assistance Act of 1984 (sec. 674)

The Veterans' Educational Assistance Act of 1984, Title VII of Public Law 98-525 (the Department of Defense Authorization Act, 1985) established a new G.I. bill for those initially entering the armed forces between July 1, 1985, and June 30, 1988. In exchange for a reduction in pay of $100 per month for 12 months, service members will be able to earn a maximum of 36 months of educational benefits payable at $300 per month. They will be automatically covered unless they opt out upon initial entry onto active duty. In addition, the Veterans' Educational Assistance Act of 1984 established a program for service members with Vietnam-era G.I. bill eligibility who have been on continuous active duty since December 31, 1976, and whose benefits would otherwise expire on December 31, 1989.

The Senate bill contained a provision (sec. 522;) that would make four changes to the new G.I. bill. First, the Senate provision would permit service members 120 days after entry onto active duty to elect to participate in the program. Second, the provision would permit participants to revoke their election within two years and receive a refund of their contributions. Third, the provision would provide credit on final pay for those who die on active duty after electing to participate and who have neither revoked election nor received any benefit. Fourth, the provision would permit service members with Vietnam-era G.I. bill eligibility to earn benefits under the new program even though they have had a break in service after December 31, 1976.

The House amendment contained no similar provision.

The House recedes with an amendment striking all provisions except the last providing eligibility for Vietnam-era veterans currently on active duty who have had a break in service since December 31, 1976.

The conferees agree that, due to the complex nature of this program, it should be allowed to operate for at least one year before it is amended.

PART G—MISCELLANEOUS

LEGISLATIVE PROVISIONS ADOPTED

Legal representation of civilians overseas (sec. 681)

The House amendment contained a provision (sec. 695) that would authorize the Secretary concerned to employ counsel and pay fees for legal representation before foreign courts of dependents and civilian employees of the armed forces overseas.

The Senate bill contained no similar provision.

The Senate recedes.

Accrued leave (sec. 682)

The House amendment included a provision (sec. 697) that would correctly codify the date after which not more than 60 days of accrued leave may be sold.

The Senate bill contained no similar provision.

The Senate recedes.

Pay allotments for Navy and Marine Corps (sec. 683)

The House amendment contained a provision (sec. 698) that would standardize the pay allotment system of the Navy and Marine Corps with that of the Army and the Air Force.

The Senate bill contained no similar provision.

The Senate recedes.

Debt collection (sec. 684)

The House amendment included a provision (sec. 699) that would extend the debt collection authority enacted in the Department of Defense Authorization Act, 1985 (Public Law 98-525) to all of the uniformed services. Section 699 would also authorize military payroll collections for dishonored checks.

The Senate bill contained no similar provision.

The Senate recedes with an amendment striking the authority to collect for dishonored checks.

Fee for veterinary service (sec. 685)

Current law provides that a $10 per visit fee be imposed for pets of military personnel provided care by military veterinarians beginning October 1, 1985.

The House amendment contained a provision (sec. 696) that would reduce the fee from $10 per visit to $2 per transaction at a military veterinary clinic; such fee is intended to recoup all appropriated fund costs associated with the provision of care to privately-owned pets. The resulting revenues are to be paid to the U.S. Treasury.

The Senate bill contained no similar provision.

The Senate recedes.

LEGISLATIVE PROVISION NOT ADOPTED

Compensation for military personnel and members of their families who were victims of terrorism

The House amendment contained a provision (sec. 1188) that would authorize the President to make a cash payment to members of the armed forces or their families who were held hostage or who were the victims of terrorism.

The Senate bill contained no similar provision

The House recedes.

TITLE VII—SURVIVOR BENEFIT PLAN

Legislative Provisions

LEGISLATIVE PROVISIONS ADOPTED

Survivor Benefit Plan changes (secs. 701-731)

The House amendment contained a number of provisions (secs. 670-690) that would improve and simplify the Survivor Benefit Plan as well as correct certain inequities associated with the program.

The Survivor Benefit Plan was created to provide "reasonable income replacement" to surviving dependents of deceased retirees. During deliberations on the establishment of the plan, Congress determined that 55 percent of retired pay represented reasonable income replacement and that existing income security programs available to survivors of deceased service personnel—social security and, in some cases, Dependency and Indemnity Compensation (DIC)—ought to be considered when determining whether reasonable income replacement is achieved.

Because of the complexity of the plan, particularly with respect to the social security offset, substantial confusion about the Survivor Benefit Plan has occurred. In an effort to simplify and make the plan more understandable, the House Survivor Benefit Plan provisions would eliminate the social security offset to the Survivor Benefit Plan and establish a two-tier system under which the survivor would receive 55 percent of retired pay before age 62 and 35 percent thereafter in recognition of the entitlement to social security based on military service.

In addition, the House plan would: provide current survivors and future survivors of current retired or retirement-eligible members with benefits computed under the old social security offset system or under the new two-tier system, whichever yields the highest benefit for the individual; index the minimum base amount for calculating reductions in retired pay to increases in basic pay; provide that the decision to elect less than maximum survivor coverage, to elect survivor coverage for a dependent child but not for the spouse, or not to elect survivor coverage be a joint decision between member and spouse; provide the option not to resume survivor coverage upon remarriage (subject to spousal concurrence); and authorize former spouse-child coverage as an additional option under the program.

The Senate bill contained no similar provisions.

The Senate recedes with amendments—

(1) clarifying that future survivors of current active duty members with 20 years of service or more and current or retired reserve members with 20 years of service or more would be provided benefits under the old social security offset system or the new two-tier system, whichever yields the highest benefit for the individual;

(2) eliminating the requirement for spousal concurrence in the case of a remarriage in retirement and providing instead that such a spouse would be notified in writing if the retiree elects to provide less than maximum coverage, to provide for a dependent child but not for the spouse, or not to elect survivor coverage;

(3) providing former spouse coverage in the spouse coverage category for all former spouses named as beneficiaries after the date of enactment, permitting those former spouses currently covered under the insurable interest category to elect jointly to switch to spouse coverage at the maximum level within one year and providing current participants who had the option of electing former spouse coverage in the past and chose not to do so, the option of electing former spouse coverage within one year; and

(4) providing members who elected to participate in the Survivor Benefit Plan between October 19, 1984, and the date of enactment of the fiscal year 1986 Survivor Benefit Plan changes and who may have made an election decision based on the changes enacted on October 19, 1984, but not effective until October 1, 1985 (elimination of social security offset in the case of a surviving spouse receiving a social security benefit based solely on his or her own earnings), the option to withdraw from the Plan within one year of the date of enactment with a refund of contributions.

Report on establishing needs-based survivor benefit annuity program for surviving spouses of certain retired reservists (sec. 732)

The House amendment contained a provision (sec. 1195) that would require the Secretary of Defense to submit a plan for establishing a needs-based survivor benefit annuity program for surviving spouses of reservists who died prior to September 30, 1978, after completing 20 years of service but before reaching age 60.

The Senate bill contained no similar provision.

The Senate recedes.

TITLE VIII—MILITARY FAMILY POLICY AND PROGRAMS

LEGISLATIVE PROVISIONS ADOPTED

Office of Family Policy (sec. 802)

The Senate bill contained a provision (sec. 926(b)) that would establish the Office of Family Policy in the Office of the Secretary of Defense. The office would have not less than five professional staff members and the staff of the office would be in addition to any statutory or administrative limit on the number of employees assigned to the Office of the Secretary of Defense.

The House amendment contained similar provisions (sec. 1002 and sec. 1161(a)).

The House recedes with an amendment striking the exemption from any statutory or administrative ceiling on employees assigned to the Office of the Secretary of Defense and requiring a report by the Secretary of Defense not later than September 30, 1986, on the activities of the office.

Tansfer of Military Family Resource Center (sec. 803)

The Senate bill contained a provision (sec. 926(c)) that would transfer the Military Family Resource Center from the Office of the Assistant Secretary of Defense for Health Affairs to the Office of the Assistant Secretary of Defense for Force Management and Personnel.

The House amendment contained similar provisions (sec. 1003 and sec. 1161(b)).

The House recedes.

Survey of military families (sec. 804)

The House amendment contained a provision (sec. 1004) that would authorize the Secretary of Defense to conduct surveys of military families, without clearance from any other Federal agency.

The Senate bill contained no similar provision.

The Senate recedes with an amendment providing that with respect to these surveys, members of military families and military retirees will be considered as employees of the Federal government for purposes of sections 3502(4)(A) of title 44, United States Code.

Family members serving on advisory committees (sec. 805)

The House amendment contained a provision (sec. 1005) that would permit military family members to serve on committees that advise the Department of Defense on military family matters even though such family members are not fulltime employees of the Federal government.

The Senate bill contained no similar provision.

The Senate recedes.

Preference in Department of Defense employment (sec. 806)

The Senate bill contained a provision (sec. 926(d)) that would provide employment preference in hiring for Department of Defense jobs to spouses of active duty service members for positions above grade GS–7 (or the equivalent) if the spouse is among those determined to be best qualified for the position and if the position is located in the same geographic area as the permanent duty station of the member.

The House amendment contained provisions (sec. 1006 and 1161(f)) that would require the Secretary of Defense to issue regulations to ensure that military spouses are advised of vacancy announcements and are considered for vacant positions within the Department of Defense in the same geographic area as the member's duty station. In addition, the House provisions would (1) permit the President to except from competitive service positions within the Department of Defense located outside the United States in order to provide employment opportunities for qualified spouses of members of the armed forces stationed in the same geographic area and (2) require the Secretary of Defense to issue regulations to ensure that qualified spouses may be appointed to such excepted service positions. Additionally, the provisions would require the Secretary of Defense to issue regulations to ensure that all Department of Defense nonappropriated fund activities give preference in hiring to qualified dependents of members of the armed forces stationed in the same geographic area for positions in wage grade UA–8 and below (or the equivalent).

The House recedes with amendments directing the Secretary of Defense to issue regulations to ensure that spouses are advised of any vacancy announcements and are considered for any vacant position within the Department of Defense in the same geographic area as the member's permanent duty station. In addition, the House amendments would authorize the President to except from competitive service positions in the Department of Defense located outside the United States in order to provide employment opportunities for qualified military spouses and would authorize the President to provide preference in hiring to qualified spouses for positions in wage grade UA-8 and below (or the equivalent).

The conferees wish to clarify that any preference granted is not lifetime preference and, thus, would terminate when the spouse loses his or her connection with the military through the service member's discharge, retirement, or death, or through divorce.

Youth sponsorship program (sec. 807)

The Senate bill contained a provision (sec. 926(g)) that would require the establishment of a youth sponsorship program, at each military installation.

The House amendment contained similar provisions (sec. 1107 and 1161(c)).

The House recedes.

Student travel within the United States (sec. 808)

The House amendment contained a provision (sec. 1008) that would authorize payment of travel and transportation allowances within or between the contiguous United States for dependent students of military personnel stationed overseas.

The Senate bill contained no similar provision.

The Senate recedes.

Relocation assistance (sec. 809(a))

The House amendment contained a provision (sec. 1009(a)) that would permit the Secretary of Defense to enter into contracts with firms to provide relocation assistance to members of the armed forces relocating from one geographic area to another.

The Senate bill contained no similar provision.

The Senate recedes with an amendment striking the authority to enter into such contracts and instead directing the Secretary of Defense to provide a report on the potential utilization of such services.

Amortization period for parking facilities for house trailers and mobile homes (sec. 809(b))

The House amendment contained a provision (sec. 1009(b)) that would increase the amortization period for parking facilities for house trailers and mobile homes from 15 years to 25 years.

The Senate bill contained no similar provision.

The Senate recedes.

Cost of unaccompanied personnel housing for members of the uniformed services (sec. 809(c))

The House amendment contained a provision (sec. 1009(c)) that would exempt military personnel from the requirement to pay the reasonable rental cost for unaccompanied housing while on a permanent change of station move or on temporary duty orders.

The Senate bill contained no similar provision.

The Senate recedes.

Food cost for certain enlisted members (sec. 810(a))

The House amendment contained a provision (sec. 1010(a)) that would eliminate the surcharge for meals sold in military messes for enlisted members in pay grades E–1 through E–4 and members of their immediate families.

The Senate bill contained no similar provision.

The Senate recedes with an amendment limiting eligibility for exemption from the surcharge to the spouses and dependent children of enlisted members in pay grades E–1 through E–4.

Report on issuing food stamp coupons to households of members stationed outside the United States (sec. 810(b))

The House amendment contained a provision (sec. 1010(c)) that would direct the Secretary of Defense to submit a report to the Congress on the feasibility of having the Department of Defense issue food stamp coupons to households of service members stationed outside the United States.

The Senate bill contained no similar provision.

The Senate recedes.

Reporting on child abuse (sec. 811)

The House amendment contained a provision (sec. 1011) that would direct the Secretary of Defense to request each state to provide reports on known or suspected instances of child abuse and neglect involving the child of a member of the armed forces.

The Senate bill contained no similar provision.

The Senate recedes.

Housing availability (sec. 812(a))

The House amendment contained a provision (sec. 1012(a)) that would require the Secretary of Defense to submit a report to Congress on the availability and affordability of off-base housing for members of the armed forces and their families.

The Senate bill contained no similar provision.

The Senate recedes.

Study on need for assistance to dependents entering new secondary schools (sec. 812(b))

The Senate bill contained a provision (sec. 926(h)) to require the Secretary of Defense to submit a report making recommendations for any administrative and legislative changes necessary to assist families whose children must transfer to schools with different graduation requirements.

The House amendment contained similar provisions (sec. 1012(b) and 1161(e)).

The House recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Operation of child care facilities

The Senate bill contained a provision (sec. 926(e)) that would direct the Secretary of Defense to provide for the operation of child care facilities on military installations on a 24-hour basis, if necessary to meet mission requirements.

The House amendment contained no similar provision.

The Senate recedes.

The conferees direct the Secretary of Defense to conduct a study and evaluate the need for operating child care facilities on military bases on a 24-hour basis when necessary to meet mission requirements and to provide a report on his findings to the Committees on Armed Services of the Senate and House of Representatives no later than December 1, 1985. The report should include a description of the kinds of mission requirements that would necessitate 24-hour care coverage, the number of military installations that would need this service and the estimated cost of the plan.

Reimbursement for food at child care facilities overseas

The House amendment contained a provision (sec. 1010(b)) that would require the Secretary of Defense to provide payments to military child care facilities overseas for costs of food and food preparation comparable to payments provided by the Secretary of Agriculture to child care facilities in the United States under section 17 of the National School Lunch Act.

The Senate bill contained no similar provision.

The House recedes.

TITLE IX—PROCUREMENT POLICY REFORM AND OTHER PROCUREMENT MATTERS

PART A—PROGRAM MANAGEMENT MATTERS

LEGISLATIVE PROVISIONS ADOPTED

Allowable costs (sec. 911)

The Senate bill contained a provision (sec. 702) that would require the Secretary of Defense to issue regulations clarifying the types of cost that would be allowable under defense contracts. It would specify 14 categories of cost that are to be considered generally unallowable. The contractor would be penalized in an amount equal to the cost submitted, plus interest, the first time an unallowable cost is submitted. The contractor would be penalized an additional amount equal to two times the amount of the cost submitted if costs of the same type are submitted repeatedly or if a proposal contained numerous unallowable costs. The contractor would be subject to the criminal penalties established in 18 U.S.C. 287 and the civil penalties established in 31 U.S.C. 3729 (the False Claims Acts) for submitting a cost that the contractor did not actually incur.

The House amendment contained a provision (sec. 801) that would prohibit by statute the submission by a contractor of costs in 10 specified categories, and any other costs which the Secretary of Defense so specified. It would require the Secretary of Defense to clarify its regulations regarding numerous additional categories of costs. In addition, a contractor would be required to certify that all costs submitted in its proposal were allowable.

Under the House amendment a contractor would be assessed a fine equal to the amount of any expressly unallowable cost, plus interest, or $10,000, whichever is greater. If a contractor continued to submit a cost that had previously been disallowed, the penalty would be double the amount of the cost submitted, plus interest, or $10,000, whichever is greater.

In the event a contractor submits an unallowable cost, knowing it to be unallowable, the contractor would be subject to a fine in an amount up to $500,000 and up to five years imprisonment, and an individual would be subject to a fine in an amount up to $250,000 and up to five years imprisonment.

The House amendment would strengthen accountability in negotiating settlement of costs by requiring that each item questioned by the auditor be dealt with individually and not as part of a lump sum agreement. It would also require that the regulations state that if a contractor failed to submit proof that its costs were allowable, the cost could not be negotiated and must be disallowed. In addition, it would require that the regulations maintain that a cost disallowed under one cost principle not be submitted under another cost principle.

The House amendment would require the establishment of a mandatory rotation policy for all administrative contracting officers and that the contract auditor be present, to the maximum extent practicable, at all negotiations on allowability of costs.

The House amendment would require a reduction in the rate a contractor is paid for its current year overhead by an amount equal to the amount questioned by the auditors in the previous year and would apply the cost principles established pursuant to this section to subcontracts and firm fixed-price contracts for which cost and pricing data are required pursuant to the Truth in Negotiations Act.

The Senate recedes to the House with an amendment as follows: (1) providing that, with respect to those costs which are stated by law as unallowable, the Secretary of Defense may make appropriate definitions, limitations, exclusions and qualifications as part of regulations to be issued to implement this section; (2) clarifying what information is necessary to satisfy the requirement to resolve each item of questioned cost and the level of resolution; (3) adding the requirement that the certification be to the "best knowledge and belief" of the certifying official; (4) amending the requirement that a contractor submit adequate documentation or the cost will be disallowed regardless of the merits of the cost, by providing that a contracting officer may not settle an item of questioned cost unless the auditor has reviewed the contractor's supporting documentation; (5) deleting the prohibition that a cost disallowed under one cost principle may not be submitted under another cost principle; (6) deleting the requirement that provisional rates be based on costs questioned; (7) amending the minimum penalty for submission of an unallowable cost by providing that its application is discretionary and increasing the penalty for the second submission of such a cost to three times the amount of the cost submitted, as well as increasing the fine for the knowing submission of an unallowable cost, if such submission resulted in violation of the Criminal False Claims Act, to $1 million for defense contractors; (8) clarifying the application of the cost principles to subcontracts; (9) limiting the application of this section to contracts which are other than fixed-price contracts without price incentives; and (10) deleting the statutory prohibition on use of corporate aircraft.

The conferees agreed that although they were strongly in favor of stating as a matter of public policy that certain costs would not be allowable on government contracts, an absolute statutory prohibition on certain categories of costs might be unworkable. The conferees were concerned that circumstances might exist that would warrant the recovery of costs that could possibly fall within these categories. Accordingly, the conferees agreed to a provision that would authorize the Secretary of Defense to develop by regulation appropriate definitions, exclusions, limitations, and qualifications.

The conferees deleted, as well, the detailed limitations and exclusions contained in the House bill relating to the allowability of certain types of aircraft travel. The conferees intend, however, that in drafting the regulations relating to first class air travel, the Secretary of Defense not provide significant limitations or exclusions beyond those necessary to provide that a contractor be reimbursed for expenses exceeding standard commercial fare if travel by standard fare would: require travel at unreasonable hours; excessively prolong travel; result in overall increased costs that would offset potential savings; or would not meet physical or medical needs of the person traveling.

In publishing the appropriate regulations with respect to travel by privately owned aircraft, the conferees further direct the Secretary of Defense to consider whether: travel by such aircraft is specifically required for contract performance or otherwise specifically authorized under the contract; travel by common carrier is impractical; the travel is performed for business purposes and requires the use of such aircraft. The need for and use of such aircraft should in any case be fully documented and justified.

The conferees, after much discussion, also deleted the House provision which would have required that provisional rates be reduced by the amount of the costs questioned by the auditor in the latest year settled rather than the amount ultimately disallowed. The conferees agreed that other incentives, such as the monetary and criminal penalties already in the bill, would sufficiently ensure that contractors did not submit unallowable costs. The conferees noted, however, that this provision might provide an additional incentive to contractors to settle their indirect accounts in a timely manner and otherwise ensure that a contractor never receives payments for indirect costs in an amount in excess of that to which it is ultimately entitled, as occurred in at least one case. The conferees also included a provision to permit the government to collect interest if such circumstances occur. Accordingly, the conferees direct that the Secretary of Defense review this proposal and provide a report to the Committees on Armed Services of the Senate and the House of Representatives, within 90 days of the enactment of this act, on the effect such proposal might have if enacted.

The conferees discussed at length the need for the indirect cost settlement process to reflect the actual amount of costs associated with disputed issues in the defense contract auditor's review that are paid. The previous practice of aggregating a large amount of disputed costs and reaching a bottom line negotiated settlement is not satisfactory, since neither the government nor the contractor understand what has been allowed after the settlement occurs. Though the provision in the conference report does not require the government and the contractor to agree on a rationale for full or partial payment or for disallowance, it does require that the settlement show the amount of individual questioned costs that are paid with respect to all categories of costs designated in the report of the defense contract auditor as questioned.

Multiple sources for major defense acquisition programs (sec. 912)

The Senate bill contained a provision (sec. 603) that would require the Secretary of Defense to prepare and submit to Congress an acquisition plan that would provide for the establishment and maintenance of two or more production sources for system integration and for major subsystems to be purchased by the United States under major defense acquisition programs when the establishment of such sources would: increase competition and likely result in reduced overall costs for such program; not result in unacceptable delays; and otherwise be in the national security interests of the United States. If the acquisition plan would not require the establishment and maintenance of two sources, the Secretary of Defense would be required to state the reasons, including any cost estimates or other material, which formed the basis of the Defense Secretary's conclusion that establishment and maintenance of two or more sources is not required.

The House amendment contained a provision (sec. 811) that would require the Secretary of Defense to submit, not later than submission of the budget, a plan for competition for all major defense acquisition programs and major subsystems of those programs during full-scale development as well as production. If the Secretary of Defense determines that competitive alternative sources of supply would not otherwise be available, the Secretary of Defense would be required to provide in the plan for the award of contracts so as to provide and maintain at least two sources of supply. In so doing the Secretary of Defense would be required to award a majority of the effort to the offeror whose proposal is most advantageous to the United States, while providing the other contractor or contractors enough of the work to enable them to compete effectively for future purchases.

Under the House amendment, the Secretary of Defense would be authorized to waive the requirement if awarding multiple contracts would materially increase the total cost of the program or unreasonably delay its completion. The Secretary of Defense would be required to provide the rationale and supporting documents for such a waiver to the Committees on Armed Services of the Senate and the House of Representatives.

For purposes of determining whether there are alternative sources of supply, the requirement for competition would be satisfied even though the contractors do not produce identical systems, as long as both systems perform similar functions and compete effectively with each other.

The Senate recedes with an amendment making the following substantive changes: (1) providing new criteria for waiving the requirement to ensure there are competitive alternative sources during full-scale development of a covered system; (2) deleting the provision relating to how contract efforts should be awarded to ensure that two sources are available; (3) deleting the provision prohibiting the use of Competition in Contracting Act (CICA) exemptions one and seven; and (4) deleting the prohibition on the authority of the Secretary of Defense to waive the requirement to establish competitive alternative sources available if the secretary has already waived the requirement with respect to systems valued at 50 percent of the value of all the major defense acquisition programs initiated subsequent to fiscal year 1986.

The conferees considered at length the 50 percent limitation on the waiver authority. The Senate conferees remained adamant that, while not objecting to the purpose of the provision, they would not agree to an arbitrary limit on the exercise of the Secretary's authority for the following reasons: a lack of information regarding the appropriate level of multiple sourcing for the major systems subject to this act, and the inflexible nature of a percentage ceiling in law.

The Senate conferees were also concerned that once the 50 percent level was reached, the Secretary of Defense would be required to maintain more than one source even if it would increase the total program cost or unreasonably delay completion of the program. However, a number of the conferees agreed that the waiver authority should not be used for more than 50 percent of the dollars subject to this act. If it appears that the Secretary has not complied with the intent of this section, the Committees on Armed Services of the Senate and the House of Representatives will reconsider the issue of applying a dollar-value limitation on the Secretary's waiver authority.

The conferees agreed to retain a House provision requiring the Secretary of Defense to report on any changes to the acquisition strategy. It is not intended that a report be provided for minor or insignificant changes, but rather only those that substantively affect whether or not multiple sources will be available for future acquisitions.

The conferees agreed to the deletion of the House provision limiting the use of the Competition in Contracting Act exemptions from competitive procedures. The requirement in this section to ensure that competitive alternative sources are available in the full-scale development and production of major weapons systems is separate and distinct from the requirement in 10 U.S.C. 2304 to use competitive procedures in awarding government contracts. It is clearly the intent of Congress that the Department of Defense is not authorized by the section on multiple sourcing to waive the requirement to ensure that competitive alternative sources are available simply because the item or service is available from only one source. Waivers may be granted under this provision only for those reasons specifically identified in this section.

Although the conferees agreed that the House language on award procedures to be followed when awarding more than one contract, was inappropriate for inclusion in statute, they expect these procedures to be followed. In particular, the conferees intend that in order to comply with the provisions of this section, the Secretary of Defense must ensure that the amount of work awarded to each contractor in order to maintain that contractor as a competitive alternative source throughout the life of the program, is sufficient to enable that contractor to continue to compete effectively for any production contract.

Finally, although the conferees deleted the words "unreasonable delay" and "materially increase" from the waiver authorization, the conferees intend that in order to satisfy the threshold for waiving the provisions of this section the Department of Defense must present convincing evidence that the establishment of a second source would in fact result in a material, not insignificant increase in the cost of the total program or an unreasonable delay of program completion.

Minimum percentage of competitive procurements (sec. 913)

The House amendment contained a provision (sec. 807) that would require the Department of Defense to increase the total percentage dollar value of contracts it awards competitively by 5 percent per year up to a rate of 70 percent. If the department fails to reach that goal, it must report to the Committees on Armed Services of the Senate and the House of Representatives, not later than 90 days after the end of the fiscal year, explaining why the department failed to meet the goal.

The Senate bill contained no similar provision.

The conferees were in full agreement with the purpose of this provision and support the objective encompassed in the provision. The conferees also recognize that the Department of Defense has already made substantial progress in increasing competition and is presently competing approximately 43 percent (by dollar amount) of its procurements. The conferees also aware that approximately 28 percent of the department's procurement dollars are awarded as follow-on contracts for systems that were originally competed. The conferees believe that the goals established in the House amendment are reasonable targets, though they recognize that both figures were established without specific analysis of the opportunities to increase competition at this time or in the future in the services. However, the Senate conferees refused to agree to any percentage of dollars being set as a goal for competition because of the arbitrary nature of any number (percentage of dollars which must be competed). The conferees did agree to a provision that the Secretary of Defense must, in an annual report to Congress, establish a goal for the total value of contracts entered into competitively for the coming year and summarizing the department's accomplishments in meeting their goal for the previous year.

Regulations to control prices that may be paid for spare parts (sec. 914)

The Senate bill contains a provision (sec. 703) that would require the Department of Defense to report to the Committees on Armed Services of the Senate and the House of Representatives, not later than 90 days after the date of enactment of this act, on the specific actions taken by the Department of Defense to address the management problems associated with excessively priced spare parts because of overspecification, uneconomic order quantities, failure to purchase directly from the actual manufacturer, noncompetitive purchases, and excessive contractor profits.

The conferees note that the Secretary of Defense has failed to comply with the relevant portions of federal law requiring that the issue regulations by April 19, 1985, regarding the allocation of overhead by defense contractors in the pricing of spare parts (see section 1245 of Public Law 98-473). In numerous instances, the Department of Defense has urged the Congress to withhold the enactment of legislation which in the Defense Department's view is overly detailed. The Department of Defense has requested in such instances that it be given the opportunity to address these issues through the administrative process. However, if the Department of Defense is unable to comply with the time frames established by statute, the Congress will have no alternative other than expanding the scope of its legislative action. With regard to the present failure to comply with the law, the conferees believe that the subject matter of section 1245 is of the highest priority, and the Secretary of Defense should ensure that the regulations called for by section 1245 are issued immediately.

The House recedes with an amendment making minor technical changes to the amendment and clarifying that the authority to issue regulations to address these matters does not supersede the responsibility for issuing regulations required by last year's authorization bill.

Should-cost analyses (sec. 915)

Provisions in the Senate bill (sec. 604) and the House amendment (sec. 1207) contained similar language relating to the performance of "should-cost" analyses. Should-cost analyses are a technique used to evaluate ongoing production programs by sending in a government team to evaluate the contractor and to identify inefficiencies in the contractor's management and operation. Should-cost analyses provide, for example, information the government needs to evaluate a contractor's assertions that costs cannot be reduced, thus assisting government negotiators in arriving at the best price for the government and motivating the contractor to reduce labor hours, overhead, etc.

The Senate provision would require that the Secretary of Defense perform a should-cost analysis on all new major defense acquisition programs where there is no competition within the first four years of production. The House amendment requires the Secretary of Defense to submit a plan annually to Congress for the performance of should-cost analyses for all major weapon systems, explaining in each case why he is or is not planning to conduct a should-cost analysis for that system.

Although should-cost analyses can provide a significant return on investment, they are not cost effective in all circumstances because of the expertise and resources needed to accomplish them. The conferees concluded that the House provision would allow the Department of Defense to utilize its resources where they will provide the most significant return, but ensure that Congress has adequate oversight of their use. The conferees believe, however, that the Secretary of Defense should conduct cost analyses in situations where: (1) there is a continuing sole source procurement of the system in question; (2) the system is in a stable production mode; (3) there are substantial quantities of the system programmed for procurement in subsequent fiscal years; (4) the work to be performed is sufficiently well defined to permit an effective analysis of what production of the system by the contractor should cost; and (5) major changes in the program are not likely. The conferees believe that these analyses will materially assist program managers in the Department of Defense in the negotiation of the most favorable price for the government on major weapon systems.

The Senate recedes with an amendment adding the requirement that the provision apply to major defense programs for which funds for initial production are first appropriated for fiscal years after 1986.

Limitations on progress payments (sec. 916)

The House amendment contained a provision (sec. 1119) that would preclude the payment of progress payments until after the work for which payment is made is accomplished and in accordance with a schedule of payments commensurate with the established cost of accomplished work of acceptable quality. The House provision would also require that, with respect to contracts for which the terms were not definite, progress payments could not be made for more than 80 percent of the work accomplished.

The Senate bill contains no similar provision.

The Senate recedes with an amendment. Under the provision agreed upon by the conferees, the Secretary of Defense would ensure that progress payments under contracts which provide for such payments are commensurate with work that has been accomplished. There is a further clarification that such work would meet the standards of quality established in the contract.

The conferees believe that progress payments should relate to work that is accomplished under a contract. The accomplishment of work does not necessarily mean that a certain percentage of physical progress has been made, since the conferees recognize that contract performance may involve a number of steps (including ordering materials, preparation of tooling, employee training) that do not result in any tangible deliverable or in physical progress. These actions are nevertheless "work" under the terms of the section and are obviously essential steps in contract performance. It is the conferees' intention that contractors be able to receive progress payments under such circumstances. In addition, the conferees recognize that an essential ingredient for entitlement to progress payment is work meeting the quality standards established under the contract.

Cost and price management in defense procurement (sec. 917)

The Senate bill contained a provision (sec. 615) that would require proposed and negotiated Bills of Labor to be recorded for each prime contractor and each associate contractor manufacturing an item or providing routine testing.

The Bill of Labor would reflect the contractor's computation of the work required to manufacture and test the items and must include a statement of the current industry engineering standard hour for the work to be performed. The standard may not deviate from the time standards derived from commercially available predetermined time standards widely used in the United States.

The House amendment contained an almost identical provision (sec. 812) which differs only in that the contracts covered by the section are limited to those contracts subject to the provisions of section 2306(f) of title 10, chapter 141.

The Senate recedes.

This provision is intended to require no new additional information from contractors, only that contractors provide to the Department of Defense information they already gather and correlate. The Department of Defense has indicated that this legislative requirement will necessitate the development of new systems and procedures for recording data related to defense contracts. Because no implementation date is specified, it is understood that these requirements apply to negotiated major system contracts and the major subcontracts entered into after the date of enactment of this legislation. In addition, it is recognized that regulations implementing this language must, in accordance with Public Law 98-577 and Public Law 98-525, be published for public comment for at least 30 days prior to their implementation.

The conferees are extremely concerned about the impact of this provision due to the lack of Congressional hearings and considerable controversy regarding its effectiveness. The conferees therefore direct that the Department of Defense evaluate all provisions of the legislation and indicate to Congress where any adjustments are appropriate. The Department of Defense should keep the committees informed of their activities, plans, successes, and difficulties as they proceed. A full report on implementation status is to be provided to the committees by March 31, 1986.

Contracted advisory and assistance services (sec. 918)

Congressional oversight of contracted advisory and assistance services has been difficult in part due to the lack of recognition of the expanded role of services in the development, production, and maintenance of various weapons, communications, and logistics systems, and to the lack of precise definitions of the various types of Department of Defense services provided under contract by sources in the private sector.

Section 614 of the Senate bill and section 1102 of the House amendment would require that each of the military departments establish an accounting procedure to aid in the identification and reporting of expenditures for services identified as contracted advisory and assistance services. Both provisions would also require the Secretary of Defense to prescribe regulations, within six months of the enactment of the act, describing the services which are to be included in the category defined as contracted advisory and assistance services and reported in budget exhibits to the Congress. The definitions and budget exhibits would have to identify separately those services which are in direct support of a weapon system and are essential to the development, production or maintenance of the system.

Both the Senate bill and the House amendment recognize that the inclusion of services in direct support of a weapon system, which services are already identified in the budget for that system, may be impacted by efforts to control the proliferation of all contracted advisory and assistance services which may be necessary. Accordingly, the respective provisions in each bill require separate reports on amounts of services that are in support of the defense policy and management process (contracted advisory and assistance services) and those services that are specific to the development, production, and operational effectiveness of a programmed weapon system and its support systems (system services and support). The Secretary of Defense has been directed to prepare definitions of the Services involved in these categories.

Currently, there are numerous definitions of services considered to be in the category of contract advisory and assistance services. The Federal Procurement Data System (FPDS) report on services includes 13 different categories which a contracting officer may designate when executing a contract for services, whereas the budget exhibits which the Department of Defense presently submits to Congress include reports on four differently defined categories. The Senate bill includes these 13 categories as categories to be considered by the Department of Defense in establishing its regulations. The House amendment contained no similar provision.

The differences between the FPDS and the Department of Defense budget exhibits categories are appropriate because they are geared to different objectives. However, the differences should be closely examined and reconciled to the maximum extent possible. In addition, the Department of Defense must establish a system which provides a clear accounting of actual expenditures in each of the categories to be reported to Congress.

The conferees believe that this process of defining the services involved in Contracted Advisory and Assistance Services (CAAS) and system services and support should enable the Defense Department to present information and data on its management of services provided by contractors in a manner which will provide each of the services, the Secretary of Defense, and Congress with a uniform system for recording CAAS expenditures and projected spending.

Revision and extension of procurement technical assistance cooperative agreement program (sec. 919)

Section 608 of the Senate bill and section 1118 of the House amendment contain provisions that would authorize certain amounts in assistance to state, local and private non-profit organizations which would establish programs to provide procurement technical assistance to companies attempting to bid on defense contracts. Under the Senate provision the Department of Defense may agree to fund not more than one-half of the cost of running a center, but never in excess of $150,000.

The Senate bill would authorize the expenditure of $3 million in each of fiscal years 1986 and 1987 for the program but would make no other changes to current law.

The House amendment would modify existing law to delete a requirement that 75 percent of the money be awarded to existing centers and would authorize the Department of Defense to pay up to three-fourths of the financial cost of a program, but not to exceed $150,000 for an applicant in a "distressed area" as defined in the House amendment.

The conferees believe centers should compete against each other for the funds authorized under this section based on the merits of their program. After a center is established and its effectiveness known, the community should absorb its cost and Department of Defense funds should be used for the establishment of other centers. However, because applicants had competed this year relying on the provision in existing law that in fiscal year 1986, 75 percent of the authorized funds would be awarded to existing programs, the conferees agreed to maintain, for both fiscal years 1986 and 1987, the existing 75/25 split on funding for the first $3 million. The conferees also agreed to adopt the House formula for distribution of funds in fiscal year 1986 and fiscal year 1987 for funds in excess of $3 million in accordance with the House provision requiring that funds be distributed initially in equal amounts to each Defense Contract Administration Services region. The conferees further agreed to authorize $5 million in fiscal year 1986 and $6 million in fiscal year 1987 for the entire program.

Part B—Procurement Personnel Matters

LEGISLATIVE PROVISIONS ADOPTED

Conflict of interest (sec. 921–923)

Both the House and Senate bills contain provisions (sec. 607 and sec. 810, respectively) limiting the activities of Department of Defense employees with respect to post-government employment. The Senate bill would provide that employees (O–4 or GS–11 and above) report contacts with a contractor regarding future employment possibilities and disqualify themselves from any actions relating to that contractor. It would also strengthen the reporting requirement for Department of Defense personnel who leave the government and go to work for a defense contractor.

The House bill would place an absolute two-year prohibition on employment by a defense contractor of any employee who had significant responsibilities for a procurement function with respect to that contractor or any of its subsidiaries or affiliates. It would also require a contractor to submit annually a report on those persons in its employ who held positions in the Department of Defense in the previous two years. Violation of the prohibition would result in a $10,000 fine and up to one year's imprisonment for the person accepting such compensation; a fine in an amount of $100,000 or three times the compensation paid if a contractor knowingly violates the prohibition; and a fine of $10,000 for failure of a company to file the required reports.

The House receded with an amendment which would add a new provision to the Senate bill prohibiting Presidential appointees who act as a primary government representative in the negotiation or settlement of a government contract from accepting employment from that contractor within two years after the termination of such activities. If that person knowingly violates this ban, the person would be subjected to a $5,000 fine and up to one year's imprisonment and the contractor employing the individual would be subject to liquidated damages of $50,000.

Management of Department of Defense procurement personnel (sec. 924)

The Senate bill contained a provision (sec. 605) that would require the Secretary of Defense to issue regulations to establish minimum requirements for the education, training and experience of program managers. At a minimum, all program managers assigned after June 1987 would have to have attended a program management course and, after June 1989, have had at least eight years' total experience in the acquisition, support and maintenance of weapon systems, at least four years of which were spent on assignments in the major procurement commands of the services.

After July 1990, the Secretary of Defense would also be prohibited from assigning any officer to a position of brigadier general or higher in those commands unless they have met those requirements.

In addition, the Department of Defense would be required to develop a training course for quality assurance personnel of not less than four weeks' duration and send all government quality assurance personnel to the course within six months of their assignment. These provisions could be waived only by the Secretary of the military department.

The House amendment contains no similar provision.

The House recedes with an amendment reducing from four years to two the requirement for experience in the major procurement commands of the services.

Assignment of principal contracting officers (sec. 925)

The House amendment contained a provision (sec. 804) that would require the rotation of principal and corporate administrative contracting officers at least once every five years. The Secretary of Defense would be authorized to waive that provision if in the public interest and such reasons were stated in writing and available to the public.

The Senate bill contained no similar provision.

After extensive discussion of this provision the conferees agreed that the Senate would recede with an amendment requiring the Secretary of Defense to develop a policy regarding the mobility and regular rotation of principal administrative contracting officers.

The Senate conferees were concerned that they had not had the opportunity to hold hearings on this issue, and were unwilling to agree to a specific policy of five-year rotation without further review. The conferees also expressed a concern regarding the designation of positions, noting that principal administrative contracting officers and corporate administrative contracting officers are terms of art unique to the Air Force. It is the intent of the conferees that the positions addressed by the regulations include equivalent positions in the other departments and the Defense Logistics Agency.

LEGISLATIVE PROVISION NOT ADOPTED

Compliance officers for debarred or suspended firms

The House amendment contained a provision (sec. 809) requiring the Secretary of Defense to appoint an independent compliance officer to monitor the ongoing contracts of contractors suspended or debarred from receiving awards of Defense Department contracts and to report on any fraudulent or criminal activities by the contractor.

The Senate bill contained no similar provision.

The House recedes.

Although the conferees have deleted the House provision, the conferees expect the Secretary of Defense to use present contract administration capabilities to perform such a monitoring function.

PART C—FALSE CLAIMS, DEBARMENT, BURDEN OF PROOF AND RELATED MATTERS

LEGISLATIVE PROVISIONS ADOPTED

Increased penalties for false claims in Defense procurement (sec. 931)

The Senate bill contained a provision (sec. 704) that would increase the maximum fine that may be imposed on a contractor submitting a false claim related to a contract with the Department of Defense to $1 million under section 287 of title 18, and under section 3729 of title 31, an amount equal to three times the amount of the damages sustained by the government, the costs of the civil action and $2,000.

The House amendment contained no similar provision.

The House recedes.

Prohibition on felons convicted of defense contract-related felonies and penalty on employment of such persons by defense contractors (sec. 932)

The House amendment contained a provision (sec. 1182) that would prohibit an employee who had been indicted for fraud or any other felony relating to a Department of Defense contract from working on or supervising Department of Defense contracts. If convicted, the individual would be suspended from employment with or contracting for the Department of Defense for not less than one year or more than five years.

The House amendment also contained a provision (sec. 1214) that would make it unlawful for a defense contractor to knowingly and willingly allow any person convicted of fraud, or any felony arising out of a defense contract, to perform any service (including service on its Board of Directors) for a defense contractor. If in violation of this section, the contractor would be fined $500,000.

The Senate bill contained no similar provision.

The conferees believed that an absolute statutory ban with respect to an employee who has not been convicted, but only indicted, would deny the employee due process. They were also concerned that a ban on those persons being employed in any capacity would interfere with criminal rehabilitation programs. In addition, the conferees did not want to indicate any limit on the length of time a convicted employee might be barred from working on defense contracts. The Senate accordingly recedes with an amendment deleting both the prohibition as it applies to indicted employees, and the 5-year limitation. The amendment also limits the prohibition to employees acting in a management or supervisory capacity, and combines sections 1182 and 1214 in the House bill into one section.

Burden of proof in government contract dispute resolution (sec. 933)

Under existing law and practice once a contractor proves that it has incurred a cost that would be incurred by a prudent person in the conduct of competitive business, the cost is presumed to be reasonable unless the Department of Defense proves otherwise. Both the Senate bill and the House amendment would change this presumption.

The Senate bill contained a provision (sec. 609) that would require in proceedings before a Federal court or the Armed Services Board of Contract Appeals, that the contractor bear the burden of proof for establishing that general and administrative costs for which it seeks reimbursement are reasonable.

The House amendment contained a similar provision (sec. 802) that would place the burden on the contractor to establish that all indirect costs submitted for reimbursement are reasonable and allowable.

The conferees adopted the Senate provision, but have made the burden of proof applicable to all indirect costs of a contractor.

Reimbursement, interest charges, and penalties for overpayments (sec. 934)

The Senate bill contained a provision (sec. 723) that would require in subsection (1) that a contractor reimburse the government and pay interest on the amount of any expressly unallowable costs paid by the government. Subsection (2) of the provision would also make a contractor liable to the government for the amount which any price was increased by reason of the submission of inaccurate, incomplete or noncurrent cost or pricing data, plus interest computed from the date payment was made by the government to the time the government is reimbursed. Subsection (3) would provide that interest due the government under the Defense Production Act be at the rate established by the Secretary of the Treasury under Public Law 92-41.

The House amendment contained a provision similar to subsection (1) requiring the payment of interest on expressly unallowable costs from the date on which the cost was questioned. The House amendment contained no similar language with respect to subsections (2) and (3).

The House recedes with an amendment deleting subsection (1), which is addressed in section 911 of this act, and modifying subsection 2 of the Senate provision to provide that a contractor be assessed interest on any amount required to be reimbursed by the government, as well as a penalty in an amount equal to the overcharge if the submission of inaccurate, incomplete or noncurrent data was knowingly made. Subsection (3) of the Senate bill has been retained in its original form.

Subpoenas of defense contractor records (sec. 935)

The Senate bill contained a provision (sec. 613) that would authorize the director of the defense contract audit agency to require by subpoena, the production of any book, paper, statement, record, information, account, writing or other document of a contractor or subcontractor furnishing property or services to the Department of Defense if the director is entitled to have access to such documents under applicable provisions of statute, regulation or a contract.

The House amendment contained a similar provision (sec. 803) which would give the Secretary of Defense the authority to subpoena any books, documents, papers or records of a contractor that are needed by the secretary for purposes of the examination of records clause, 10 U.S.C. 2313(a), or the Truth in Negotiations Act, 10 U.S.C. 2306(f). The House amendment would require that the Secretary delegate this authority to the director of the defense audit agency and authorized the Secretary to delegate the authority to any presidential appointee in the Department of Defense. This authority could not be redelegated.

The Senate recedes to the House with an amendment deleting the authority to grant the subpoena power to anyone other than the director of the defense contract audit agency, adding a requirement that the Secretary report on an annual basis on the exercise of the authority, and deleting the word "any" preceding books, documents, papers or records. The conferees considered this word superfluous and do not intend, by its deletion, to affect the meaning of the provision.

This provision is not intended to expand the scope of books, documents, papers or records to which the defense contract audit agency presently has access, but rather to provide the director of the agency with an enforcement mechanism if a contractor does not make such books, documents, papers or records readily available. The conferees believe that the subpoena power should be used sparingly, and generally only when alternative investigatory methods have proven inadequate to obtain the materials that are sought. In addition, it should be used only in the performance of the functions and purposes ascribed to the contract audit agency.

PART D—REPORTS

LEGISLATIVE PROVISIONS ADOPTED

Report on prohibition on including general and administrative overhead expenses in the computation of contractor profits (sec. 951)

The Senate bill contained a provision (sec. 903) that would require the Secretary of Defense to study and report on the feasibility and desirability of prohibiting defense contractors from including general and administrative costs in the computation of Department of Defense contract profits.

The House amendment has no similar provision.

The House recedes.

Report on use of independent cost estimates for major defense acquisition programs (sec. 952)

The Senate bill contained a provision (sec. 907) that would require that the Secretary of Defense submit a report to the Committees on Armed Services of the Senate and the House of Representatives not later than April 1, 1986, on the continued use of independent cost estimates in the programming, budgeting and selection process for major defense acquisition programs, including an assessment of the extent to which such estimates were adopted in making decisions regarding the fiscal year 1987 budget.

The House amendment contains no similar provision.

The House recedes.

General Accounting Office study of feasibility of civilian defense acquisition agency (sec. 953)

The House amendment contained a provision (sec. 806) that would require a General Accounting Office (GAO) study on the feasibility of the creation of an agency outside the Department of Defense (DOD) to perform all procurement functions for DOD, and a plan for transition to such an agency.

The Senate bill contained no similar provision.

The Senate recedes with an amendment to indicate that the Comptroller General must provide a report concerning the advantages and disadvantages of establishing a separate procurement agency, either within or outside the Department of Defense, and deleting the requirement to report on how the transition for such an agency would be accomplished. The Senate conferees argued that to require a report on how a transition might be accomplished prior to a Congressional determination whether such a system would be advantageous or not was premature. The amendment would clarify that the intent of Congress is to obtain a factual report with no recommendation from GAO on the desirability of such a change.

Report on suspension and debarment of defense contractors (sec. 954)

The House amendment contained a provision (sec. 808) that would require the Secretary of Defense, in cooperation with the Inspector General, to prepare and report to Congress on the actions taken by the Secretary to implement the recommendations contained in the report of the Inspector General dated May 1984.

The Senate bill contained no similar provision.

The Senate recedes.

Report on the use of competitive procedures under section 8(a) set-aside program (sec. 955)

The House amendment contains a provision (sec. 1137) that would require the Secretary of Defense and the Administrator of the Small Business Administration to submit a joint report to the Committees on Armed Services of the Senate and the House of Representatives on the feasibility of providing for the use of competitive procedures for contracts awarded by the Department of Defense under the set-aside program established under section 8(a) of the Small Business Act.

The Senate bill contained no similar provision.

The Senate recedes with an amendment that would require the Department of Defense and the Small Business Administration separately to develop and report on their recommendations.

Report on efforts to increase defense contract awards to Indian-owned businesses (sec. 956)

The House amendment contained a provision (sec. 1138) that would require the Secretary of Defense to report on Department of Defense efforts to increase awards to Indian-owned and tribally-owned businesses in accordance with the Memorandum of Understanding between the Department of Defense and the Small Business Administration, and to include in the report, to the maximum extent practicable, data regarding the number and value of prime contracts awarded such businesses in fiscal years 1984 and 1985.

The Senate bill contained no similar provision.

The Senate recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Commission on defense procurement

The Senate bill contained a provision (sec. 612) that would establish a presidential commission to review existing analyses of Department of Defense procurement and report to the President and to the Congress on ways to eliminate waste, fraud and abusive practices, and to improve the organization and management, in the Department of Defense procurement process.

The House amendment contained no similar provision.

The President's appointment of the Presidential Blue Ribbon Commission on Defense Management makes enactment of this provision redundant.

Accordingly, the Senate recedes.

Charges for solicitation packages

The House amendment contained a provision (sec. 1173) that would require the Secretary of Defense to establish a test program in each of the military departments and in the Defense Logistics Agency to require the charging of a fee for copies of solicitation packages.

The Senate bill contained no similar provision.

The conferees agreed that it is inappropriate to require a test program at this time since the Department of Defense already has the authority to charge, or require refundable bonds, for solicitation packages. The department may wish to consider using this authority in appropriate solicitations where charging fees or requiring a reimbursable bond for solicitation packages will not have an adverse impact on competition.

However, the conferees recognize the tremendous expense to the government for reproducing copies of solicitations and technical data packages to requestors who have no intention of bidding on the contract. Consistent with the strong Congressional support for increased competition for all government contracts, the conferees strongly urge the Department to review appropriate methods to ensure that it does not provide unnecessary numbers of bids sets.

The House recedes.

PART E—TECHNICAL AMENDMENTS

LEGISLATIVE PROVISIONS ADOPTED

Technical corrections to federal procurement law (sec. 961)

The House amendment contained a provision (sec. 1171) that would make a number of minor changes to various Federal procurement laws necessitated by changes made by the Competition in Contracting Act of 1984. The House provision would exempt from the requirement to justify in writing use of a sole-source exemption to purchase of brand-name commercial items purchased for resale in commissaries and ships stores, and would preserve an exception from section 2304 of title 10, United States Code, contained in the NATO Mutual Support Act.

The Senate bill contained no similar provision.

The Senate recedes.

TITLE X—MATTERS RELATING TO ARMS CONTROL

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Policy on compliance with existing strategic offensive arms agreements (sec. 1001)

Section 958 of the Senate bill would urge that the United States vigorously pursue the resolution of concerns regarding Soviet compliance with existing arms control agreements. In addition, this provision would urge the United States to refrain, through December 31, 1986, from undercutting existing strategic offensive arms agreements to the extent that the Soviet Union does and provided the Soviet Union actively pursues an arms reduction agreement in the Nuclear and Space Arms negotiations. The provision specifically indicated that nothing in this policy was to be construed as preventing proportionate responses to Soviet violations or as establishing a precedent for continuing the policy beyond December 31, 1986.

This provision would also require the President to submit to Congress a report providing: (1) a projection and comparison of United States and Soviet strategic weapons dismantlements that would be required over the next five years if the United States and the Soviet Union were to adhere to a policy of not undercutting existing strategic arms control agreements; (2) a projection and comparison of likely United States and Soviet strategic offensive force inventories over the next five years assuming a termination at the end of 1985 of the current no-undercut policy; (3) an assessment of possible Soviet political, military and negotiating responses to the termination of the United States no undercut policy; (4) recommendations regarding the future of United States interim restraint policy. Finally, the provision would call on the President to consider carefully the consequences of changes in current policy, to consult with Congress before making any changes, and to propose the necessary measures if he finds and reports to Congress that the Soviets have violated the provisions of any strategic arms agreement and that such violations impair or threaten the security of the United States.

The House amendment contained no similar provision.

The conferees agreed to amend this provision in two respects. The date of submission for the report was changed from September 1, 1986 to February 1, 1986 in order that the report be available for the use of Congress during hearings on the fiscal year 1987 defense authorization bill. In addition, the conferees agreed to require the report to contain a range of projections and comparisons to fulfill report requirements (1) and (2). By requiring a range of force projections, the conferees recognize that uncertainties exist in our ability to predict United States and Soviet policy decisions yet to be made, as well as each side's technical capabilities to deploy future strategic forces.

The House recedes with an amendment.

Annual report on Soviet compliance with arms control commitments (sec. 1002)

Section 906 of the Senate bill would require the President to report annually to Congress his findings regarding the Soviet Union's compliance with its arms control commitments in classified and unclassified versions.

The House amendment contains no similar provisions.

The House recedes.

Arms control verification capabilities (sec. 1003)

The Senate bill contained a provision (sec. 956) that would direct the President to provide for an interagency study on the present status U.S. and Soviet verification capabilities with the purpose of determining possible avenues of cooperation between the United States and the Soviet Union in the development of capabilities not subject to national security restricitions for verification of compliance with arms control agreements.

The House amendment contained no similar provision.

The House recedes with an amendment.

Sense of Congress relating to United States-Soviet negotiations on reductions in nuclear arms (sec. 1004)

The Senate bill contained a provision (sec. 925) that would express the sense of the Congress that the President of the United States and the General Secretary of the Communist Party of the Soviet Union should meet at the earliest practical time to discuss major issues in United States/Soviet relations, including the realization of mutual, equitable, and verifiable reductions in nuclear arms.

The House amendment contained no similar provision.

The House recedes with an amendment. The amendment declares that, in view of the planned November 19 meeting between the two leaders, the President and the General Secretary should be commended for their willingness to meet.

U.S.—Soviet military exchange visits (sec. 1005)

The Senate bill contained a provision (sec. 304) authorizing an exchange visit program between high ranking military and civilian defense officials of the United States and the Soviet Union, making available $100,000 from funds authorized in Title III to support these visits in fiscal year 1986.

The House amendment contained no similar provision.

The House recedes.

Report on nuclear winter findings and policy implications (sec. 1006)

The House amendment contained a provision (sec. 1134) that would require the Secretary of Defense to continue to participate in any interagency study on the environmental and biological effects of nuclear war and the implications that such effects have for the strategy and policies of the United States. The Secretary would be required to submit a report not later than March 1, 1986, containing his findings and assessments to the Committees on Armed Services of the Senate and House of Representatives. In addition, the Secretary would be required to submit annual reports during each subsequent year through the year 1990.

The Senate bill contained no similar provision.

The Senate receded with an amendment that would extend the participation of the Secretary of Defense in any interagency study on the effects of nuclear war and require a report to the Committees on Armed Services not later than March 1, 1986. The conference compromise extends the requirements of section 1107 of the Department of Defense Authorization Act, 1985 (Public Law 98-525) for one year and deletes the requirement for subsequent annual reports that was contained in the House amendment.

Report on the military implications of Soviet treaty violations

The Senate report (S. Rept. 99-41), accompanying S. 1160, the Department of Defense Authorization bill for fiscal year 1986, contained a requirement for the Secretary of Defense to report to the Committees on Armed Services of the Senate and House of Representatives on the military implications of Soviet treaty violations. This report was to address both policy and programmatic responses, including possible weapons system developments and procurements, designed to redress the implications of Soviet non-compliance for U.S. national security. This report was to be provided to the Committees by July 15, 1985.

The conferees are aware that this date has passed without enactment of a fiscal year 1986 Defense Authorization bill, and that the Secretary of Defense has been asked to report to the President on this matter by November 15, 1985. Therefore, the conferees agreed to change the date on which this report is due to January 15, 1986.

The conferees attach a high priority to these efforts to assess the military implications of Soviet treaty violations. This change in the reporting date should provide an opportunity for the Secretary of Defense to complete work on and provide his report to the President, and then submit to the Committees on Armed Services a report informed by the analyses and results of the Defense Department's response to Presidential tasking.

LEGISLATIVE PROVISIONS NOT ADOPTED

Monitoring and verification of Soviet mobile ICBMs

The Senate bill contained a provision (sec. 946) concerning monitoring and verification of Soviet mobile ICBMs.

The House amendment contained no similar provision.

The Senate recedes.

Arms control verification technology

The Senate bill contained a provision (sec. 947) that would require a report on arms control verification technology.

The House amendment contained no similar provision.

The Senate recedes.

Study of measures to enhance crisis stability and control.

The House amendment contained a provision (sec. 1191) that would direct the Secretary of Defense to study measures to reduce the likelihood of nuclear weapons use by contributing to crisis stability and control capabilities, including specific consideration of ten measures.

The Senate bill contained no similar provision.

The House recedes.

The conferees agreed that the United States should continue its policy of developing and improving its procedures and capabilities for crisis prevention and management. The conferees also agreed that continued work to reduce the risk of a nuclear war occurring due to accident or miscalculation should have high priority in the area of crisis prevention and management.

TITLE XI—MATTERS RELATING TO NATO

Legislative Provisions

LEGISLATIVE PROVISIONS ADOPTED

Limited authority to exceed permanent ceiling on United States forces assigned to NATO (sec. 1101)

The Senate bill contained a provision (sec. 902) that would authorize the Secretary of Defense to exceed the permanent ceiling on U.S. forces assigned to NATO by not more than one-half of one percent in a fiscal year for the purpose of achieving sound management in the rotation of service personnel to and from NATO.

The House amendment contained no similar provision.

The House recedes.

North Atlantic Treaty Organization (NATO) cooperative projects (sec. 1102)

Section 948 of the Senate bill would authorize the President to enter into agreements with the North Atlantic Treaty Organization (NATO) for cooperative armaments projects. Such projects would be jointly managed, described in written agreements and undertaken to further alliance rationalization, standardization and interoperability. To carry out such projects, the Secretary of Defense would be permitted on a case-by-case basis, subject to certain reporting requirements, to require subcontracts to be awarded to particular subcontractors and to waive certain laws prescribing contract procedures and United States preference requirements. The House amendment did not contain a similar provision.

The House recedes with amendments.

The first amendment would provide that those provisions pertaining to various sections of the Arms Export Control Act (22 USC 2751) would be repealed upon the enactment of the fiscal year 1986 International Security and Development Cooperation Act. The Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the United States Senate have legislative jurisdiction over the Arms Export Control Act.

The second amendment would delete the provision pertaining to the reciprocal waiver of custom and other duties. Revenue legislation must originate in the House of Representatives and is under the jurisdiction of the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the United States. The conferees believe that the Secretary of Defense already has authority to waive such duties for cooperative projects entered into under the authority of this section.

Also, the conferees wish to clarify the authority provided for the disposal of certain property without regard to United States property disposal law. The conferees understand that such disposal would only occur with jointly acquired property. Property acquired exclusively by the United States would be subject to the property disposal laws of the United States. Proceeds generated from the disposal of such property would be treated in a manner consistent with current law and policy.

TITLE XII—DEPARTMENT OF DEFENSE MANAGEMENT

PART A—MANAGEMENT OF FACILITIES AND DEFENSE ORGANIZATION

LEGISLATIVE PROVISIONS ADOPTED

Annual selected acquisition report (sec. 1201)

The House amendment contained a provision (sec. 1111) that would specify the information that the Secretary of Defense is to provide to the Committees on Armed Services of the Senate and the House of Representatives in the Selected Acquisition Reports (SARs).

The Senate bill contained a provision (sec. 920) that also would specify the information to be contained in the annual Selected Acquisition Reports. The Senate bill also would require the Secretary of Defense to resubmit the December 1984 SARS in accordance with the format and content of the December 1983 SARs.

The Senate recedes, and the conferees agree that the Department of Defense will include a full life-cycle cost analysis only for those programs where that information is developed on an ongoing basis. The conferees direct the Secretary of Defense and the Secretaries of the military departments to submit to Congress, with the Department of Defense fiscal year 1987 budget, comments and recommendations for improving the acquisition reporting process required under section 139a of title 10, United States Code. The comments and recommendations shall consider, in particular, improving the utility of the reports for both the Congress and senior Department of Defense management personnel.

Additionally, the conferees direct the Comptroller General of the United States and the Director of the Congressional Budget Office also to submit to Congress their comments and recommendations for improving the reporting process required under section 139a of title 10, United States Code.

Base closures and realignments (sec. 1202)

The Senate bill contained a provision (sec. 722) that would provide the Secretary of Defense or the Secretary of the military department concerned streamlined legal procedures to close or realign a base when the Federal budget is in deficit. It further authorized one billion dollars to accomplish that purpose.

The House amendment contained no similar provision.

The House recedes with an amendment that would eliminate the advance public notice required by the Secretary of Defense when an installation is a candidate for closure or realignment; require that all base closure or realignment proposals be submitted to the Committee on Armed Services of the Senate and the House of Representatives as a part of the annual budget request; and require that no irrevocable action to implement the closure or realignment could be taken until the expiration of 30 legislative days or 60 calendar days, whichever is longer.

Under the amendment, the base closure and realignment proposal submitted to the Congress would contain an evaluation of the fiscal, local economic, budgetary, environmental, strategic and operational consequences of such action.

The amendment would only be applicable to closure of bases with more than 300 civilians authorized to be employed and to realignments involving a reduction by more than 1,000, or by more than 50 percent, in the number of civilian personnel authorized to be employed at bases with more than 300 authorized civilian employees.

The conferees further agreed to a provision that would make explicit the authority of the Secretary to obtain architectural and engineering services under section 2807 of title 10 and to use funds that would otherwise be available to effect the closure or realignment after the notice period has expired.

The conference agreement provided no additional authorization for appropriation to carry out the provisions of the section and its effect is not contingent on a Federal budget deficit.

Demonstration project to test the use of a certain computer system in military hospitals (sec. 1203)

The House amendment contained a provision (sec. 1116) requiring the Secretary of Defense to conduct a demonstration project for the purpose of testing the use in military hospitals of the Veterans' Administration decentralized management computer system. The House amendment:

(1) required that the demonstration project begin on December 1, 1985; include six military hospitals, two each from the Army, Navy, and Air Force; and include a demonstration of all components of the Veterans' Administration system.

(2) provided for Veterans' Administration assistance in the demonstration, if requested by the Secretary of Defense.

(3) required a report by the Secretary of Defense assessing the myriad Veterans' Administration system as compared to the centralized medical computer system plan by the Department of Defense.

(4) restricted the Secretary of Defense from entering into a contract for the procurement of a centralized computer system until he had evaluated the results of the demonstration project.

(5) required that the Comptroller General report to Congress his evaluation of the conduct of the demonstration project by the Department of Defense.

The Senate bill contained no similar provision.

The Senate recedes with an amendment.

The Senate conferees objected to the size, scope, and attendant cost of the demonstration project. In addition, the Senate conferees insisted that the demonstration project should not delay the ongoing Department of Defense competitive acquisition process leading to the procurement of a hospital computer system.

The House conferees agreed that the demonstration project could involve fewer hospitals provided that all available modules in use in the Veterans' Administration computer system were tested at their current functional level. The House conferees also agreed that none of the provision should result in delaying the Department of Defense medical computer acquisition but insisted that the Comptroller General be accorded an opportunity to report, and Congress be given a subsequent opportunity to react, before key decisions are made at two milestones.

Accordingly, the conferees agreed to the following changes contained in the Senate amendment.

The size, scope, and structure of the demonstration project would be modified. The number of military hospitals in the demonstration test would be reduced from six to two, and the starting date for the demonstration would be delayed from December 1, 1985 to March 1, 1986. The March Air Force Base hospital, which previously tested part of the Veterans' Administration system, would be designated as one demonstration site. The Secretary of Defense would be required to select a significantly larger non-Air Force hospital for the second demonstration site to ensure that capabilities of the Veterans' Administration hospital computer system to handle a large military medical facility is demonstrated. Additional changes covering the demonstration project would require that "all available" components, instead of "all" components, be included in the demonstration project. This change is intended to require the Department of Defense to use all components that are in use by the Veterans' Administration and available to the Department of Defense at the time the demonstration begins. Finally, the conferees intend that the components of the Veterans' Administration computer system be used "at their current functional level." The conferees further intend this language to signify that the decentralized character of the Veterans' Administration computer system should not be altered by the Department of Defense in structuring and conducting the demonstration project.

The conference agreement would also alter the reports required by Congress and the restrictions on proceeding with acquisition of a Department of Defense hospital computer system. In addition to the House requirement for a report on whether the demonstration project is carried out in accordance with the instructions, the Comptroller General would be required to evaluate the results of the demonstration project to include whether the Veterans' Administration decentralized computer system would be more suitable for the Department of Defense than a centralized computer system. The Comptroller General would also be required to evaluate the process followed by the Department of Defense in acquiring the hospital computer system.

The Secretary of Defense would be restricted from proceeding at key milestones in the Department of Defense hospital acquisition process until sixty days after he submits the report to Congress required in the original House language. Moreover, the Secretary would be similarly restricted from proceeding until the applicable reports by the Comptroller General required in the amendment have been submitted to Congress. To avoid delaying the acquisition process, these restrictions would no longer be effective after June 1, 1986 and July 1, 1987, respectively, dates consistent with the planned Department of Defense milestones.

The conferees, in adding to the report requirements and restrictions, intend to ensure that the Department of Defense conducts a fair, fully competitive acquisition process and an unbiased demonstration project, evaluated objectively on the basis of physician and other users' experience. Moreover, the conferees agree that the Department of Defense should proceed to acquire a military hospital computer system as expeditiously as possible. To this end, the Comptroller General should make every effort to avoid delaying the acquisition process, on the one hand, and the Department of Defense must give its full cooperation to the Comptroller General to ensure that this report can be rendered in a timely fashion. Any delay in reports by the Comptroller General attributable to problems in obtaining information from the Department of Defense could be considered by the conferees as a basis for revisiting the issues addressed in this section in the fiscal year 1987 Defense authorization bill.

Repeal of the transfer of Department of Defense overseas schools (sec. 1204)

The Senate bill contained a provision (sec. 910) that would repeal the scheduled transfer of the Department of Defense Dependents' Schools (DoDDS) to the Department of Education.

The Senate provision would also place the Advisory Council on Dependents' Education in the Department of Defense with the following membership: (1) the Secretaries of Defense and Education, or their designees, who would be co-chairmen of the council; (2) 12 individuals appointed jointly by the 2 Secretaries; and (3) a representative of each of the 2 Secretaries. The 12 individuals appointed jointly by the 2 Secretaries would include representatives of professional employee organizations, school administrators, parents of students and 1 student. Individuals appointed to the council from professional employee organizations would be designated by those organizations. The council would be required to meet at least two times a year.

The Senate provision would require each local school advisory committee to include one non-voting member to represent the interests of the organization recognized as the exclusive bargaining representative of the school's employees. This non-voting member would be designated by the bargaining organization.

The Senate provision would require the Secretary of Defense to consult with the Secretary of Education on the educational programs and practices of the Department of Defense Dependents' Schools.

The House amendment contained no similar provision.

The House recedes.

With regard to the groups from which the Secretary of Defense and the Secretary of Education are to jointly appoint 12 members to the Advisory Council, the conferees intend that professional employee organizations include teacher unions. The conferees also emphasize that the Advisory Council should actually meet at last two times a year (as this section requires).

The conferees have received complaints that it is difficult for the public to obtain copies of the defense dependents' education system's annual budget request to Congress. The conferees believe that this material should be readily available to the public.

Authority of the Department of Defense to enroll certain children in overseas schools (sec. 1205)

The Senate bill contained a provision (sec. 919) that would clarify the authority of the Department of Defense Dependents' Schools (DoDDS) to educate the following categories of overseas students: (1) children of employees of U.S. government agencies other than the Department of Defense; (2) children of U.S. government contractors; (3) children of employees of Department of Defense nonappropriated fund activities; and (4) if the Secretary of Defense determines it in the national interest, the children of other U.S. citizens and foreign nationals.

The Senate provision would require children enrolled under this new authority to pay tuition at a rate that would at least defray the average cost of the children's education.

The House amendment contained no similar provision.

The House recedes.

In order to clarify the differences between this new authority and existing authorities, the conferees note that section 921 of title 20, United States Code, requires the Secretary of Defense to provide a free public education for the dependents of overseas military personnel and civilian employees of the Department of Defense paid from appropriated fund activities. For children enrolled under section 921, the Department of Defense must request funds for facilities, teachers, supplies and other resources.

A second authority under which other categories of children may be enrolled in the overseas schools is provided by section 923 of title 20. Under this authority, children ineligible to be enrolled under section 921 may be educated only to the extent that excess physical space, teachers, supplies, and other resources are already available to educate them. The Department of Defense may not take the cost of educating these children into account in requesting funds for additional facilities, teachers, supplies and other resources.

With regard to the new authority created by the Senate provision, the conferees emphasize that it is not to be used to justify construction to expand existing facilities or the construction of new facilities. However, the Department of Defense may take the cost of educating children enrolled under this new authority into account in requesting funds for teachers, supplies, and other resources.

Headquarters staff (sec. 1206)

The Senate bill contained a provision (sec. 531) that would freeze the total number of military and civilian personnel assigned to perform management headquarters activities or management headquarters support activities in a Defense agency or military department at the same number assigned to those activities as of September 30, 1985, and would limit the number of military and civilian personnel assigned to the Office of the Secretary of Defense as of September 30, 1986, to 1,765.

The House amendment contained no similar provisions.

The House recedes.

Report on organizational structure of the military health care system (sec. 1207)

The House amendment contained a provision (sec. 1131) that would require the Secretary of Defense to submit a report to Congress containing a plan for revising the organizational structure of the military health care delivery system in order to streamline the resource allocation process, improve the quality of medical care, reduce the cost of health care, and enhance medical readiness. The provision would require the Secretary of each military department and the Joint Chiefs of Staff to carry out independent studies, the results of which would be submitted with the report of the Secretary.

The Senate bill contained no similar provision.

The Senate recedes.

Annual report on Guard and Reserve equipment (sec. 1208)

The House amendment contained a provision (sec. 1112) that would require the Secretary of Defense to provide additional information in the annual Guard/Reserve equipment report that is submitted to the Congress.

The Senate bill contained no similar provision.

The Senate recedes.

Moratorium on exchange franchise agreements (sec. 1209)

The Senate bill included a provision (sec. 944) requiring a moratorium on constructing commercial franchise businesses on military installations.

The House amendment contained no similar provision.

The House recedes to the Senate with an amendment changing reporting dates and requirements, deleting the prohibition of operating more than one commercial franchise per military installation and restricting the moratorium only to the United States.

Initial operating capability for Air Force Shuttle Operations and Planning Complex (sec. 1210)

Section 1117 of the House amendment would direct the Secretary of the Air Force to place the highest priority on achieving specified initial operating capability (IOC) dates for the Shuttle Operations and Planning Complex (SOPC) of the Consolidated Space Operations Center (CSOC), Colorado Springs, Colorado and submit a report to the respect Committees on Armed Services on how those dates would be met. The Senate bill contained no similar provision.

The Senate recedes with an amendment.

Provision of green salt to contractors for production of conventional ammunition (sec. 1211)

The House bill contained a provision (sec. 1180) that would permit the Secretary of the Army to loan uranium tetrafluoride (green salt) to a contractor for the production of conventional ammunition. The Senate bill contained no similar provision.

In determining whether adequate quantities are available for the purpose of making the certification required, the Secretary of the Army is to take into account whether a good faith effort has been made by firms that possess supplies of uranium tetrafluoride to make available uranium tetrafluoride to industrial firms that lack their own source of uranium tetrafluoride. The conferees intend that in administering this provision the Secretary of the Army ensure that no firm derives an undue competitive advantage.

The Senate recedes with an amendment.

Contracts for certain educational services (sec. 1212)

The Senate bill contained a provision (sec. 905) providing that, in any portion of the procurement process for on-base postsecondary education services for military personnel, civilian personnel, and their dependents, an accredited institution authorized to award associate degrees may not be discriminated against or precluded from offering courses within its scope of authority solely because it does not have the authority to award a baccalaureate degree. In addition, the offering of such educational services could not be limited to a single academic institution except that duly constituted personnel at the military installation level would be permitted to take necessary actions to avoid unnecessary duplication of course offerings. The provision would apply to contracts for services entered into after April 1, 1985.

Finally, the provision would direct the Comptroller General to study the educational needs of members of the armed forces stationed overseas and the most cost-effective and feasible means of meeting those needs and to provide a report to the Congress on his findings and recommendations not later than September 1, 1986.

The House amendment contained a similar provision (sec. 805) providing that, in contracting for off-duty postsecondary educational services, the Secretary of Defense and the Secretaries of the military departments may not discriminate against non-baccalaureate-degree-granting institutions. The provision would be applicable to contracts entered into, amended, or renewed on or after the date of enactment of this Act.

With respect to avoidance of unnecessary duplication, the conferees intend that the Secretary of Defense will promulgate guidelines and standards for the regulation of course offerings to avoid unnecessary duplication, which will be uniform for all the armed services and which will take into account the demographics of individual installations.

Responsibility for controlling unnecessary duplication of courses should be exercised at the installation level consistent with the purpose of this provision of ensuring service members, to the maximum extent feasible, choice among the providers of these educational services. The conferees do not expect this authority to be used to deny an educational institution the authority to offer an individual course which is an integral component of a specified curriculum.

It is not the intent of the conferees to require more than one educational provider for any program on any base or installation where only a single qualified provider desires to offer such a program. The conferees further find that the preference afforded instate institutions for programs conducted within the United States, as set forth in Department of Defense Directive 1322.8, is consistent with this provision.

With respect to the types of procurement covered, the conferees intend that the provisions of this section apply to all aspects of the procurement process, including solicitations, contracts, basic agreements, memoranda of understanding and any other agreements entered into between any of the military services and any educational institution for the provision of the educational services described in this section.

With respect to the General Accounting Office study, in conducting the study called for in this section, the Comptroller General should examine how best to meet the educational needs of military personnel, Department of Defense civilian employees and their dependents consistent with ensuring choice of and diversity in educational offerings and providers, competition among qualified educational institutions, and the most reasonable cost to the individual participants.

With respect to the effective date, the conferees intend that this provision apply to contracts first entered into after April 1, 1985. This would permit existing options for the extension of contracts entered into before that date to be exercised by the affected military service. However, no new contracts or renewals of contracts expiring on or after April 1, 1985, would be permitted except as they conform to the provisions of this section.

PART B—PERSONNEL MANAGEMENT

LEGISLATIVE PROVISIONS ADOPTED

Counterintelligence polygraph program (sec. 1221)

The Senate bill contained a provision (sec. 904) that would prohibit the use of any funds for the purpose of implementing certain paragraphs of Department of Defense Directive 5210.48 dated December 24, 1984, relating to polygraph examinations, except for the continuation of the test program authorized by the Department of Defense Authorization Act for fiscal year 1985. The provision further provided that the total number of persons examined under the test program in fiscal years 1985 and 1986 may not exceed 3,500. It also required a report by December 31, 1986 on the conduct of the program and, at the request of the Department of Defense, established a continuing polygraph research program and authorized $590,000 to carry out the program. Finally, the provision explicitly excepted any individuals assigned to the Central Intelligence Agency or National Security Agency or any individual applying for a position at the National Security Agency.

The House amendment contained a provision (sec. 1199) that would require the Secretary of Defense to institute a program of couterintelligence polygraph examinations for military, civilian and contractor personnel of the Department of Defense, military departments, and the Armed Forces whose duties involve access to classified information. The House provision would require a polygraph examination before a person is granted access to information within a special access program and aperiodically thereafter. It would also permit the Secretary of Defense to require a polygraph examination of anyone who has access to classified information before granting access to such information and aperiodically thereafter.

The conferees agreed to authorize the Secretary of Defense during fiscal years 1986 and 1987 to implement a program of counterintelligence polygraph examinations for military and civilian personnel of the Department of Defense and personnel of defense contractors whose duties include access to classified information at the level of Top Secret or classified information within special access programs established under section 4.2(a) of Executive Order 12356. This program would be based upon the current Department of Defense Directive 5210.48. The conferees recognize that the provisions of that directive set out the situations in which the polygraph may be employed and establish safeguards for those persons who are required to submit to a polygraph examination. That directive is viewed by the conferees as a sincere effort to protect the rights of the individual while permitting the Department of Defense to utilize the polygraph in the protection of its most sensitive information.

The conferees also agreed that during fiscal year 1986 no more than 3,500, and during fiscal year 1987 no more than 7,000 counterintelligence polygraph examinations may be administered. Although the conferees recognize that the polygraph is a very useful tool in counterintelligence investigations, they also recognize that the lack of polygraph operators in the Department of Defense would limit the number of examinations to the total of 10,500 authorized in fiscal years 1986 and 1987.

The conferees also agreed to require the reports described in the Senate provision. Not later than December 31, 1985, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on his plans to expand the use of polygraph examinations in the Department of Defense. Not later than December 31, 1986, the Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on polygraph examinations administered by or for the Department of Defense during fiscal year 1986.

The conferees further agreed to the provision in the Senate bill establishing a polygraph research program to support polygraph activities of the Department of Defense. The Secretary of Defense would be required to submit to the Committees on Armed Services of the Senate and the House of Representatives, not later than December 31 each year, a report on the results of that program during the preceding fiscal year. A sum of $590,000 would be authorized to be appropriated for fiscal year 1986 to carry out the research program.

The conferees agreed that this section does not apply to (1) an individual assigned or detailed to the Central Intelligence Agency or to any expert or consultant under contract to that Agency; (2) an individual employed by or assigned to the National Security Agency, or expert or consultant under contract to that Agency, or employee of a contractor of that Agency or an individual applying for a position in that Agency; or (3) an individual assigned to a space where sensitive cryptologic information is produced, processed, or stored.

Reduction in security clearance backlog (sec. 1222)

The House amendment contained a provision (sec. 1206) requiring the Secretary of Defense to achieve a 25 percent reduction in the backlog of reinvestigations of individuals holding security clearances of top secret and above in fiscal year 1986 and would authorize $25 million for that purpose. If the Secretary determined that he was not able to achieve a 25 percent reduction in the security clearance reinvestigation backlog in fiscal year 1986, section 1206 would require that he submit a report to Congress outlining what additional resources and requirements would be necessary to reduce the backlog by 50 percent by the end of fiscal year 1987.

The Senate bill contained no similar provision.

The conferees agreed to eliminate the requirement that the Secretary of Defense achieve a 25 percent reduction in the security clearance reinvestigation backlog in fiscal year 1986 and instead make that level of reduction a goal he should strive to attain. In addition, the conferees agreed to require that the $25 million authorized to reduce the security reinvestigation backlog to be used only for that purpose. Finally, the conferees agreed to require that the Secretary of Defense report to Congress on his efforts to reduce the backlog and that additional resources and requirements that would be necessary to achieve a 50 percent reduction by the end of fiscal year 1987.

The Senate recedes with amendments.

Independent criminal investigations (sec. 1223)

The House amendment contained a provision (sec. 532) that would direct the Secretaries of the Navy and Air Force to issue regulations providing the Naval Investigative Service (NIS) and the Air Force Office of Special Investigations (OSI) authority to initiate and conduct criminal investigations on the authority of their director or commander, such authority to be as similar as practicable to the procedures used in the Army.

The Senate bill contained no similar provision.

The Senate recedes with an amendment.

In this section, it is the intention of the managers to strengthen the investigative arms of the Navy and Air Force so that high-ranking officers will not be able—in reality or perception—to interfere with criminal investigations.

The managers expect the new regulations to make clear that OSI and NIS elements will be able to determine what investigative actions are appropriate for all criminal allegations, whether reported to them or developed on their own. These elements would be required to keep their host commands informed unless doing so would compromise an investigation. The managers envision NIS and OSI as autonomous and not subject to the directions of local commanders or other officials below the level of the service staff for operational purposes.

This is not to say that giving autonomy to the investigators eliminates all problems. Generals and admirals, being the senior executives in their military organizations, get a lot of attention—both positive and negative. High rank should not spare an officer from scrutiny; neither should it subject him to trivial investigations. Because the idea is to keep rank from skewing the investigative process, care must be taken to avoid either extreme.

The conferees do not intend that command accountability for the maintenance of good order and discipline be in any way lessened by this initiative. Indeed, although a command request would no longer be necessary to permit an investigation, it would still be sufficient to mandate one.

Establishment of minimum age with respect to the purchase and consumption of alcoholic beverages on military installations (sec. 1224)

The House amendment included a provision (sec. 1178) that established, with several exceptions, the minimum age on military installations as that established by the State in which the installation is located.

The Senate bill contained no similar provision.

The Senate recedes with an amendment authorizing certain exemptions for installations located within 50 miles of another state, Mexico or Canada, and requires a report concerning the feasibility of allowing the sale of low alcohol beverages, and on the effects such sales might have on the incidence of driving under the influence of alcohol on military installations by military personnel.

Cost savings cash awards (sec. 1225)

The Senate bill contained a provision (sec. 942) that would—

(a) affirm Congressional support for the elimination of fraud, waste, and mismanagement in the Federal government as well as for the protection of employees who report such incidents of abuse;

(b) restructure Federal employee grievance resolution procedures with regard to the role of the Office of the Special Counsel;

(c) extend the authority to pay Federal employees cash awards for disclosing fraud, waste, and abuse; and

(d) authorize the payment of cash awards for service members for similar disclosures made after September 30, 1984.

The House bill contained a provision (sec. 1196) that would authorize the payment of cash awards for cost savings disclosures to employees of the Department of Defense only.

The House recedes with amendments 1) eliminating the section concerning Congressional affirmations, 2) eliminating the section concerning Federal employee grievance resolution procedures and the Office of the Special Counsel; and 3) eliminating the requirement that this provision apply to disclosures made by members of the armed services only after September 30, 1984, and providing instead that payments under this provision may be made only after September 30, 1985.

LEGISLATIVE PROVISION NOT ADOPTED

Conditions on the procurement of alcoholic beverages on military installations

The House amendment included a provision (sec. 1177) that would require Department of Defense installations to procure all alcoholic beverages from sources within the State in which the installations are located.

The Senate bill contained no similar provision.

The House recedes.

PART C—CONTRACTING-OUT FOR PERFORMANCE OF CERTAIN FUNCTIONS

LEGISLATIVE PROVISIONS ADOPTED

Contracting out core logistics functions (sec. 1231)

The House amendment contained a provision (sec. 309) that would clarify the intent of section 307 of the Defense Authorization Act, 1985 (Public Law 98-525) by specifying that core logistics functions include the personnel performing depot maintenance and distribution of mission essential materiel at specified logistics activities.

The Senate bill contained no similar provision.

The conferees agreed to an amendment to modify the House provision by deleting "distribution" and limiting the statutorily specified core logistics functions to those involving the depot maintenance of mission essential materiel and specified logistics activities.

The Senate recedes with amendment.

Contracting out firefighters and security guards (sec. 1232)

The House amendment contained a provision (sec. 1121) that would extend for two years the existing prohibition on the contracting out of firefigher and security guard functions currently performed by Federal civilian employees. This section would also require a report to Congress from the Secretary of Defense and the U.S. Fire Administrator assessing the benefits and risks of contracting out firefighting and security guard functions within the Department of Defense.

The Senate bill contained no similar provision.

The conferees agreed to an amendment extending the prohibition on contracting out firefighters and security guards for one year.

The Senate recedes with amendment.

Contracting-out (sec. 1233 and sec. 1234)

The Senate bill contained a provision (sec. 721) that would remove all statutory restrictions on the Secretary of Defense to contract out functions performed by civilian employees in accordance with the procedures set forth in Office of Management and Budget (OMB) Circular A-76 when the Secretary determines that it would be cost effective and in the best interest of the national defense.

The House amendment contained no similar provision.

The conferees agreed to amend section 502 of the Department of Defense Authorization Act, 1981 (Public Law 96-342) by increasing the threshold for the performance of full cost studies from 10 to 40 or fewer Department of Defense civilian employees. The conferees also agreed to increase the threshold from 50 to 75 civilian employees for a report on the potential economic affect on the employees, on the local community and Federal government affected by the contracting of a function. Finally, the conferees agreed to direct the Secretary of Defense to promote contracting out in accordance with law where it is cost effective and in the best interests of national security.

The House recedes with amendments.

LEGISLATIVE PROVISIONS NOT ADOPTED

Ceiling on contracting out

The House amendment contained a provision (sec. 1183) that would limit funding for functions to be converted to contract in fiscal year 1986 in accordance with the provisions of OMB Circular A-76 to fiscal year 1985 levels except for mandatory wage increases and new contracts legally binding on September 30, 1985.

The Senate bill contained no similar provision.

The House recedes.

Report on contracting out

The House amendment contained a provision (sec. 1204) that would require an annual report by the Secretary of Defense comparing the actual and projected costs of functions converted to contract performances in accordance with procedures of OMB Circular A-76. Section 1204(b) raises the conversion cost differential from 10 to 15 percent for functions within the Department of Defense subject to cost comparisons in accordance with OMB Circular A-76.

The Senate bill contained no similar provision.

The House recedes.

PART D—ECONOMY AND EFFICIENCY

LEGISLATIVE PROVISIONS ADOPTED

Overtime for Federal contractor employees (sec. 1241)

The Senate bill contained a provision (sec. 713) that would exempt Department of Defense contractors from the requirements of the Walsh-Healey Act (41 U.S.C. 35) to pay an employee an overtime rate of pay for work done in the performance of a Department of Defense contract after completing more than 8 hours of work in any one day. The section similarly modified section 102 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 328). However, the Senate bill made no change in the provisions of those statutes requiring the contractor to pay an employee an overtime rate of pay for work done in the performance of the contract after completing 40 hours of work in any one week. The provision would be applicable to all contracts entered into or carried out on or after October 1, 1985.

The House amendment contained no similar provision.

The conferees agreed to incorporate the provisions of the Senate bill, S. 1105 (Federal Contractor Employees Flextime Act), ordered reported by the Senate Committee on Labor and Human Resources, which makes the above described provisions applicable to all government contracts. The amendment would be effective on January 1, 1986.

The House recedes with amendments.

Monroney Act (sec. 1242)

The Senate bill contained a provision (sec. 712) that would amend section 5343(d)(2) of title 5, United States Code, to prohibit the Department of Defense from establishing wage schedules and rates for prevailing rate employees of the Department of Defense on the basis of a survey of wage rates paid for comparable positions in other than the local wage area. The section would further provide that the rate of pay of a prevailing wage rate employee employed by the Department of Defense on the day before the date of enactment of this Act may not be reduced because of this amendment.

The House amendment contained no similar provision.

The House recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Amendments to Davis-Bacon Act

The Senate bill contained a provision (sec. 711) that would exempt the Department of Defense from the provisions of the Davis-Bacon Act (40 U.S.C. 276a(a), for all construction under $1 million and would codify certain Department of Labor regulations implementing that Act.

The House amendment contained no similar provision.

The Senate recedes.

TITLE XIII—TECHNICAL AMENDMENTS AND CLERICAL AMENDMENTS

Elimination of certain statutory gender-based distinctions (sec. 1301)

The House amendment contained a provision (sec. 1141) that would eliminate certain gender-based distinctions in statute.

The Senate bill contained no similar provision.

The Senate recedes.

Technical amendments relating to benefits for certain Defense Intelligence Agency personnel (sec. 1302)

The House amendment contained a provision (sec. 1142) that would make technical, codifying, and conforming amendments relating to benefits for certain Defense Intelligence Agency personnel.

The Senate bill contained no similar provision.

The Senate recedes.

Clerical amendments (sec. 1303)

The House amendment contained a provision (sec. 1143) that would make certain technical, codifying, and conforming amendments to titles 10 and 37, United States Code.

The Senate bill contained no similar provision.

The Senate recedes.

Clerical amendments to federal procurement law (sec. 1304)

The Senate bill contained a provision (sec. 610) that would redesignate numerous sections in chapter 138, title 10, to accommodate the addition of several new sections on defense procurement and correct the present dublication of section numbers.

The House amendment included a similar provision (sec. 1172) that also includes technical corrections to section designations and typographical errors in other provisions of law.

The Senate recedes.

TITLE XIV—GENERAL PROVISIONS

PART A—FINANCIAL MATTERS

LEGISLATIVE PROVISIONS ADOPTED

Transfer authority (sec. 1401)

The House amendment contained a provision (sec. 1101) that would permit the transfer of an authorization made available in the fiscal year 1985 Defense Authorization Act to any other authorization made available in the Act only upon determination by the Secretary of Defense that such a transfer would be in the national interest. The authority to transfer could only be used to provide authorization for higher priority items than the items from which authorization was transferred and could not be used to provide authorization for an item that was denied authorization by the Congress. The Secretary of Defense would be required to promptly notify the Congress of transfers. Transfer of an authorization between budget activities of a major Operation and Maintenance account could be made without regard to the above mentioned limitations. The total amount of transfers would be limited to $2 billion.

The Senate bill contained no similar provision.

The Senate recedes.

Authorization of transfers for fiscal year 1985 pay supplemental (sec. 1402)

The House amendment contained a provision (sec. 1107) that would authorize the transfer of funds appropriated to the Department of Defense that remain available for obligation and are no longer required for the programs for which they were originally appropriated to operations and maintenance and personnel accounts in fiscal year 1985 to fund civilian and military pay raises.

The Senate bill contained no similar provision.

The Senate recedes.

Special Defense Acquisition Fund (sec. 1403)

The Senate bill (sec. 901) authorized $1 billion for the capitalization of the Special Defense Acquisition Fund. The House amendment contained no similar authorization.

The House recedes.

Revisions to defense budget plan (sec. 1404)

The Senate bill contained a provision (sec. 616) that would require the Secretary of Defense to submit a report by September 15, 1985 containing adjusted five year defense plans. Each adjusted plan would begin in fiscal year 1986. One plan would be based on an aggregate budget level that included no growth over the official projection of inflation and the other plan would be based on an aggregate budget level that included three percent growth each year over the official projection of inflation. A listing of the procurement plan for each major defense acquisition program would be required for each adjusted five year defense plan.

The House amendment contained a provision (sec. 1103) that would require a similar report within 90 days of enactment.

The conference agreement would require the report setting out two revised defense budget plans to be submitted by the Secretary of Defense within 60 days after the date of enactment. The revised plans, for fiscal year 1987-1990, would be based on enacted authorizations for fiscal year 1986 and would, in one case, be based on a zero real growth budget level and in the second case, on a three percent real growth budget level. An annual procurement plan for each of the years for each major defense acquisition program would be required for each revised plan.

The conferees believe that the military departments cannot maintain program stability without realistic projections for future budgetary resources. The conferees also question the affordability of planned new starts because of unrealistic projections of future resources.

The conferees intend that the adjusted plans are to be constrained to the 3 percent and zero percent real growth rates only in the aggregate and not at the appropriation or budget activity level.

The conferees expect the Department of Defense to adjust spending priorities within various accounts and activities at alternate aggregate funding levels as is the normal practice. The requirement for alternative plans is not intended to prejudice the department's deliberations on the fiscal year 1987 budget.

Two-year budget cycle for the Department of Defense (sec. 1405)

The Senate bill contained a provision (sec. 909) that would require that the President include in the budget submitted to the Congress for fiscal year 1988 a single proposed budget for the Department of Defense and related agencies for fiscal years 1988 and 1989. Thereafter, the President would be required to submit a two-year budget for the Department of Defense and related agencies every other year.

Section 909 of the Senate bill would also require that the Secretary of Defense submit a report by July 1, 1986 to the Committees on Armed Services of the Senate and House of Representatives containing the Secretary's views on:

(1) The advantages and disadvantages of operating the Department of Defense and related agencies on a two-year budget cycle.

(2) The Secretary's plans for converting to a two-year budget cycle.

(3) A description of any impediments, statutory or otherwise, to converting the operations of the Department of Defense and related agencies to a two-year budget cycle beginning with fiscal year 1988.

The House amendment contained a provision (sec. 1169) requiring that an identical report be submitted by the Secretary of Defense by January 15, 1986.

The conferees agreed that the report should be submitted by April 1, 1986.

The House recedes with an amendment.

The conferees believe that a biennial budget for the Department of Defense would substantially improve DOD management and congressional oversight. Although preferable to subject all Federal spending to a two year budget, the conferees believe that beginning with the DOD budget is important.

Report on budgeting for inflation (sec. 1406)

The Senate bill contained a provision (sec. 950) that would require the Secretary of Defense to submit a report to Congress by September 1, 1985 containing:

(1) an explanation of the disposition of funds that are not required for the purpose for which they were appropriated because inflation was lower than anticipated;

(2) a description of an alternative budget system for the Department of Defense under which amounts necessary for inflation during a fiscal year would be appropriated by the Congress at the end of the fiscal year;

(3) recommendations for procedures which would effectively implement an alternate budget system; and

(4) a discussion of advantages and disadvantages of instituting an alternate budget system.

The House amendment contained a provision (sec. 1104) that would require the Secretary of Defense to submit a report to Congress within 90 days of the date of enactment. The report would differ from the report required in the Senate bill only in that the alternative budget system would address only the procurement and research and development accounts, where funds are available for obligation for more than one year.

The conferees agreed that the report should be submitted 60 days after the date of enactment and that only procurement and R&D accounts need be addressed.

The Senate recedes with an amendment.

Report of unobligated balances (sec. 1407)

The Senate bill contained a provision (sec. 930) that would require the Secretary of Defense to submit quarterly reports to the Committees on Armed Services of the Senate and House of Representatives containing an estimate of funds available for obligation in excess of the amounts required to carry out programs for which the funds were appropriated. The report would also include any program cost increase as a result of higher than projected inflation.

The House amendment contained a provision (sec. 1106) that would require identical reports, but would require that the reports be submitted with the President's budget, with the April Budget Update, and with the Mid-Session Budget Review.

The Senate recedes.

Special foreign currency program (sec. 1408)

The Senate bill contained a provision (sec. 914) that would authorize $2.1 million for the purchase of foreign currencies to pay expenses incurred in carrying out RDT&E programs of the Department of Defense.

The House amendment contained no similar provision.

The House recedes.

PART B—CHEMICAL WEAPONS

LEGISLATIVE PROVISIONS ADOPTED

Limitation on binary chemical munitions program (sec. 1411)

The House amendment contained a provision (sec. 119) that would prohibit the obligation or expenditure of any funds for the procurement or assembly of binary chemical munitions or for the establishment of production facilities for such munitions until September 30, 1987. This restriction would be lifted 60 days after that date provided the President certified that (1) an international treaty concerning chemical weapons to which the United States was a party had not been concluded and (2) conditions concerning performance specifications, safety, the accelerated destruction of the existing U.S. stockpile of unitary chemical munitions, storage, transportation and other matters had been satisfied, including a requirement that the North Atlantic Council of NATO had formally agreed that existing unitary chemical munitions currently stored in Europe would be replaced with binary chemical munitions.

Funding for the binary chemical munitions program in the Senate bill was not subject to any conditions. The Senate bill contained a provision (sec. 932) that would require a report from the President not later than October 1, 1986 describing the results of consultations with the allies on a number of subjects related to NATO's chemical deterrent posture, including defensive protection measures against chemical attack and efforts to achieve an equitable and efficient burdensharing within NATO with regard to deterring the use of chemical weapons in Europe.

The Senate agreed to recede to the House with an amendment. Under this amendment, no funds could be obligated or expended for the procurement or assembly of binary chemical munitions or for the establishment of production facilities for such munitions until the President had certified that the United States, in cooperation with the Supreme Allied Commander, Europe (SACEUR), had developed a plan under which U.S. binary chemical munitions can be deployed under appropriate contingency plans to deter chemical weapons attacks against the United States and its allies and has consulted with NATO members on this plan.

The amendment further provides that no final assembly of complete binary chemical munitions can occur until 60 days after October 1, 1987 and only then if specified conditions dealing with performance, safety, accelerated destruction of current stocks, storage and transportation are satisfied.

The amendment also expresses the sense of the Congress that existing unitary chemical munitions currently stored in the United States and European member nations of NATO should be replaced by modern, safer binary chemical munitions. Lastly, the amendment includes the report required by section 932 of the Senate bill.

The following table summarizes the conferees recommendations with respect to the Binary Munitions Production Program.

Binary Munitions Summary
($ in millions)

Service/Item	Fiscal Year 1986 Request	H.R. 1872 As Passed	S. 1160 As Passed	Conference
155mm Projectile (687)	$ 21.7	$ 21.7	$ 21.7	$ 21.7
Bigeye Facilitization Phosphate QL Facility Newport AAP, In.	$ 48.0	$ 0	$ 48.0	$ 40.0(1)
Fill/LAP Facility, Pine Bluff, Arkansas	$ 28.2	$ 28.2	$ 28.2	$ 28.2
Bomb Metal Parts, Marquardt	$ 17.6	$ 17.6	$ 17.6	$ 17.6
Prove Out Facilities, Newport AAP (3.040) Pine Bluff Arsenal (1.310)	$ 4.4	$ 4.4	$ 4.4	$ 4.4
SUBTOTAL	$119.9	$ 71.9	$119.9	$111.9
Navy				
Bigeye	$ 21.5	$ 21.5	$ 21.5	$ 21.5
Air Force				
Bigeye	$ 22.1	$ 22.1	$ 22.1	$ 22.1
TOTAL	$163.5	$115.5	$163.5	$155.5

(1) $8.0 million involves military construction and is subject to action on the Fiscal Year 1986 Military Construction Authorization Act.

Destruction of existing stockpile of lethal chemical agents and munitions (sec. 1412)

Section 1186 of the House amendment prescribed the terms and conditions for the destruction of the existing United States stockpile of lethal chemical agents and munitions in conjunction with the acquisition of binary chemical weapons. Destruction of the stockpile is to be completed by September 30, 1994 except under specified circumstances. The Secretary of Defense is directed to develop and submit a comprehensive plan for such destruction by March 15, 1986. The Senate bill contained no similar provision.

The Senate recedes with a technical amendment.

Report concerning the testing of chemical warfare agents (sec. 1413)

Section 1129 of the House amendment would require the Secretary of Defense to submit a report within 90 days of the enactment of the fiscal year 1986 defense authorization act on certain factors associated with the siting of test facilities for diluted or undiluted chemical warfare agents. The Senate bill contained no similar provision.

The Senate recedes.

LEGISLATIVE PROVISION NOT ADOPTED

Study and plan for the destruction of chemical agents and munitions

Section 1115 of the House amendment would require the Secretary of Defense to conduct a study for the purpose of developing a comprehensive plan for the destruction of the existing stockpile of lethal chemical agents and munitions before such destruction occurs.

The study would include consideration of new technology and the feasibility of establishing a national destruction site within or outside the continental United States. The study findings would be submitted to the Committees on Armed Services and Appropriations of the Senate and the House of Representatives.

The prohibition against destruction of existing stocks would not apply to the destruction or continued storage of certain chemical munitions that have been declared by the Secretary of the Army to be obsolete and to have no military value.

The Senate bill contained no similar provision.

The House recedes.

PART C—MATTERS RELATED TO SPECIFIC PROGRAMS

LEGISLATIVE PROVISIONS ADOPTED

Enhanced drug interdiction assistance (sec. 1421)

The House amendment contained a provision (sec. 1187) that would permit assignment of members of the armed forces to assist drug enforcement officials in drug searches, seizures, or arrests outside the land area of the United States under certain limited circumstances.

The Senate bill contained no similar provision.

The conferees recognized it was desirable to involve the military resources of the United States more directly in the ongoing efforts to interdict drug smuggling into the United States. However, the conferees were concerned about granting civil law enforcement powers to the Armed Forces. Moreover they noted that direct military participation in law enforcement could necessitate the training of certain military personnel in civilian law enforcement procedures, and that any member of the military services who directly assisted in drug searches, seizures, or arrests would be liable to be called to testify in criminal court, removing that person from the performance of regular military duties.

Under current law and practice, Navy ships have been deployed when possible with personnel from 15-person Coast Guard Tactical Law Enforcement Teams (TACLETS), or 8-person Coast Guard Law Enforcement Detachments (LEDETS), on-board. TACLETS and LEDETS are special multi-purpose units that can be deployed as boarding-party detachments aboard Navy ships. These teams and detachments conduct boarding of suspect vessels and related drug interdiction activities from Navy vessels in the same manner as they do from Coast Guard vessels. These Coast Guard members have the training and authority to carry out civilian law enforcement procedures, including search, seizure, or arrest. In the course of their regular duties, they give testimony in court on their law enforcement activities.

The conferees recognize that assignment of members of the Coast Guard on-board Navy vessels has had beneficial results in the Federal drug interdiction program. However, personnel shortages within the Coast Guard have prevented the assignment of sufficient Coast Guard personnel to naval vessels at sea in drug interdiction areas. Navy resources could be better utilized for drug interdiction purposes if more Coast Guard personnel were available to serve in this capacity.

Accordingly, the Senate recedes with an amendment providing for the mandatory assignment of Coast Guard personnel on each naval vessel at sea in a drug interdiction area for the purpose of drug interdiction and other law enforcement activities. The identification of drug-interdiction areas shall be made by the Secretary of Defense in consultation with the Attorney General, and shall include areas in which activities involving the smuggling of drugs into the United States are suspected.

The number of Coast Guard personnel needed to provide a law enforcement presence for each surface naval vessel is authorized to be added to the Coast Guard active duty strength for fiscal year 1986. The Coast Guard has testified that 500 additional members would be needed to fulfill this mission. $15,000,000 would be authorized for appropriation for the Department of Defense for fiscal year 1986 to carry out the purpose of this section. Funds so appropriated shall be transferred to the Secretary of Transportation only for the additional personnel authorized.

Because of the unique collaboration between the Coast Guard and the Navy in the TACLET program, the conferees deemed it appropriate expressly to authorize the use of Navy O&M funds for this specific activity. Nothing in this section is intended to abrogate the intent of Congress (in enacting chapter 18 of title 10 in 1981) that Department of Defense assistance to civilian law enforcement agencies is subject to reimbursement to the extent that reimbursement is otherwise required by the Economy Act.

Establishment, operations and maintenance of drug law enforcement assistance organizations of the Department of Defense (sec. 1422)

The Senate bill contained a provision (sec. 306) authorizing reserve unit participation in support of civilian law enforcement drug interdiction operations.

The House amendment contained a similar provision (sec. 305).

The House receded with an amendment clarifying overall military direction of the interdiction effort.

The conferees agreed that command, control, and coordination of the reserve components' contribution to the overall drug interdiction mission should reside in a special operations headquarters element. The House provision (sec. 305) would require that the function be performed by a reserve Special Operations Wing.

The Senate bill contained no similar provision.

The Senate concluded that the existing active Air Force First Special Operations Wing might provide a more efficient, effective and capable structure for direction of the diverse units to be utilized. Accordingly, the conferees agreed that the resolution of whether direction of the interdiction effort should be allocated to the First Special Operations Wing, or a Special Operations Wing (Reserve) headquarters (to be established) should be at the discretion of the Secretary of Defense.

The conferees intend that interdiction support be provided using existing units, aircraft, personnel and other resources. However, the conferees are aware that creation of a reserve special operations wing headquarters element may be necessary if the Department of Defense decides not to utilize the First Special Operations Wing. Also, new reserve detection and surveillance units may be organized using the department's aircraft intended for dedicated peacetime support for Customs Air Operations interdiction activities.

The conferees further agreed that in order for the wing headquarters element to effectively command, control or coordinate reserve component units' interdiction operations, it should be the focal point for liaison with the National Narcotics Border Interdiction System and other civilian law enforcement entities in the receipt and exchange of mission support requests and narcotics intelligence.

Military cooperation information programs for civilian law enforcement officials (sec. 1423)

The Senate bill contained a provision (sec. 931) that would require the Attorney General, in consultation with the Secretary of Defense, to conduct briefings for state and local law enforcement personnel about Federal assistance in drug enforcement.

The House amendment contained no similar provision.

The House recedes.

Study on the use of the E–2 aircraft for drug interdiction purposes (sec. 1424)

The House amendment contained a provision (sec. 1170) that would require a study to be conducted evaluating Naval Reserve E-2 aircraft in the drug interdiction role.

The Senate bill contained no similar provision.

The Senate recedes with an amendment deleting reference to the Naval Reserve, permitting the study to be conducted utilizing Navy active force E–2 aircraft.

Strategic bomber programs (sec. 1425)

Section 915 of the Senate bill would restrict the obligation of funds in the Defense Authorization Act for research, design, demonstration, development, or procurement of more than 100 B–1B aircraft. The House amendment contained no similar provision.

Section 921 of the Senate bill expressed the sense of Congress that stealth technologies should be developed as rapidly as possible, that the B–1B aircraft procurement should be terminated after acquisition of 100 aircraft, and that none of the funds authorized for the advanced technology bomber and advanced cruise missile should be used for any other purpose. The House amendment contained no similar provision.

The conferees agree to incorporate both section 915 and section 921 into a new section.

The House recedes.

Restrictions on certain nuclear programs (sec. 1426)

Restriction on funding for MX warhead

The House amendment contained a provision (sec. 1210) that would enact permanent law restricting use of funds for production of W–87 warheads in excess of the numbers required to arm the number of MX missiles authorized for deployment plus the number of warheads determined by the President to be necessary for quality assurance and reliability testing. The Senate bill contained no similar provision. The Senate recedes.

Report on the employment of the Standard missile

The Senate bill at section 953 contained a provision that would restrict the use of all funds associated with the nuclear version of the Standard missile (SM–2(N)), both in the Department of Defense and in the Department of Energy, until the Secretary of the Navy submits a detailed report to the Committees on Armed Services of the Senate and the House of Representatives on the requirements, proposed utilization, release procedures, conventional alternatives, previous studies, deployment, impact on fleet air defense, and plans for other nuclear air defense weapons. The House amendment at section 1211 contained a similar provision with minor drafting differences.

The House recedes.

Report on requirements for special nuclear materials

The House amendment contained a provision (sec. 1213) that would require a joint report by the Secretaries of Defense and

Energy after consultation with the Joint Chiefs of Staff and the Director of the Arms Control and Disarmament Agency detailing the military requirements for special nuclear materials through the year 1991. This report would be provided to the Committees on Armed Services of the Senate and the House of Representatives not later than March 1, 1986. The Senate bill contained no similar provision. The Senate recedes.

LEGISLATIVE PROVISION NOT ADOPTED

Prohibition on funding for small atomic demolition munition

Section 1212 of the House amendment would prohibit the use of funds authorized for the Department of Energy national security programs for the development engineering, production engineering, or production of this munition. In fact, no such authorization was requested by the Department or contained in either the Senate bill or the House amendment. The House recedes.

PART D—MISCELLANEOUS REPORTING REQUIREMENTS

LEGISLATIVE PROVISIONS ADOPTED

Extension of time for submission of reports and authorization of appropriations for the commission on merchant marine and defense (sec. 1431)

Section 908 of the Senate bill contained a provision that would amend section 1536 of the Department of Defense Authorization Act, 1985 (Public Law 98-525) by extending by one year the dates upon which the reports of the Commission on Merchant Marine and Defense are required to be submitted; by authorizing appropriations for operation of the commission for fiscal years 1986, 1987, and 1988; and by extending the availability of such appropriations through September 30, 1988.

Section 1125 of the House amendment would also amend and extend the reporting dates of the commission, conditioning the extended dates on the date that appropriations are made available for the operation of the commission. The House amendment would not extend the time periods for authorization of appropriations or availability of appropriations.

The conferees agreed to the extension of reporting dates as in the House amendment and to extend to September 30, 1988 the availability of appropriations under section 1536(i) of the Department of Defense Authorization Act, 1985 (Public Law 98-525).

The Senate recedes with an amendment.

Report on shipbuilding and repair base (sec. 1432)

Section 1126 of the House amendment would require the Secretary of the Navy to report by January 31, 1986 to the Committees on Armed Services of the Senate and House of Representatives on the results of a study of the relationship between price competition and mobilization capability in naval shipbuilding and repair.

The Senate bill did not contain a similar provision.

The Senate recedes. The conferees note that as a result of recent competitive procurement decisions the future of some important shipyards is in doubt, including the Quincy Shipyard. The conferees believe that the facilities and trained labor force at these shipyards form an important part of the United States industrial mobilization base. Therefore, the conferees direct the Secretary of the Navy to include in the report required by this section an assessment of possible options for maintaining the facilities and the trained labor force associated with Quincy and similarly situated shipyards.

Nuclear reactor components for SSN-21 class submarines (sec. 1433)

Section 1127 of the House amendment would require that funds appropriated pursuant to an authorization in this Act could not be obligated for the design or construction of nuclear reactor components for the SSN-21 class submarine until the Secretary of the Navy submits to the Committees on Armed Services to the Senate and House of Representatives a report on the industrial base for the design and construction of nuclear components for the SSN-21 class submarine. The report would include an evaluation of the cost effectiveness of increasing the number of firms actively employed in the design and construction of nuclear reactor components.

The Senate bill did not contain a similar provision.

The conferees agreed that not more than one-half of the funds appropriated pursuant to authorizations of appropriations in this Act for the design or construction of nuclear reactor components for the SSN-21 class submarine may be obligated until the Secretary of the Navy submits the report described above.

The Senate recedes with an amendment.

Aircraft fuel conservation report (sec. 1434)

The House amendment contained a provision (sec. 1198) that would direct the Secretary of Defense to establish, within 90 days of the enactment of this Act, a fuel conservation program to reduce the use of fuel by military aircraft during takeoffs and other situations without lowering safety standards. The provision would also require the Secretary of Defense to report to Congress regarding the establishment of this program within 90 days of the enactment of this Act.

The Senate bill contained no similar provision.

The conferees agreed to delete the requirement for the Secretary of Defense to establish a fuel conservation program but directed him to submit a report, within 90 days of the enactment of this Act, on fuel conservation efforts by the Department of Defense since 1981 to reduce the use of fuel by military aircraft.

The Senate recedes with amendment.

Report concerning Poseidon class submarine to be dismantled (sec. 1435)

The House amendment contained a provision (sec. 1132) that would require the President to submit a report to the Congress within thirty days of enactment with respect to:

> (1) the feasibility and legality of transferring to the United Kingdom the ownership of an Poseidon class submarine proposed to be dismantled;

(2) the feasibility of converting a Poseidon class submarine into a SSN-type submarine or a SSGN-type submarine; and

(3) the feasibility of using a Poseidon class submarine as a training platform.

The Senate bill contained no similar provision.

The conferees agreed to a provision that would require the Secretary of Defense to submit a report to Congress by December 15, 1985 that would assess the feasibility of:

(1) converting a Poseidon class submarine into a SSN- or SSGN-type submarine; and

(2) using a Poseidon class submarine as a training platform.

The Senate recedes with an amendment.

Report and demonstration project concerning the sale of certain United States meat in military commissaries overseas (sec. 1436)

The House amendment included a provision (sec. 1128) that would require the Secretary of Defense to study the feasibility of selling U.S. meat in six European commissaries. The results of the test would be reported to Congress one year after enactment of the Act.

The Senate bill contained no similar provision.

The Senate recedes.

Report on retention of the basic point defense missile system (BPDMS) (sec. 1437)

Section 1133 of the House amendment would require the Secretary of the Navy to report to the Committees on Armed Services of the Senate and House of Representatives on the removal of BPDMS from naval amphibious vessels. Section 1133 would also provide that no BPDMS system could be removed from a naval amphibious vessel until the report was submitted.

The Senate bill did not contain a similar provision.

The Senate recedes.

Report on retirement benefits of Philippine Scouts (sec. 1438)

The House amendment contained a provision (sec. 1135) that would direct the Secretary of the Army to study the disparity between the pay received by members of the Philippine Scouts during World War II and the pay received by other members of the United States Army and to submit a report on his findings and conclusions to the Committees on Armed Services of the Senate and the House of Representatives.

The Senate bill contained no similar provision.

The Senate recedes.

Study for espionage penalty (sec. 1439)

The House amendment included a provision (sec. 1194) that would direct the Secretary of Defense to study the desirability of reinstating the death penalty for the civilian crime of espionage.

The Senate bill contained no similar provision.

The Senate recedes.

Study of import of foreign export subsidies (sec. 1440)

Section 918 of the Senate bill would require the Secretary of Defense to conduct a study of the impact that foreign export subsidies have had on the U.S. defense industrial base. The report is to include contracts where foreign contractors have received subsidies for commodities purchased. No similar language was contained in the House amendment.

The House recedes with an amendment.

Report on expenditures for tactical missiles for training purposes (sec. 1441)

The Senate bill contained a provision (sec. 939) that would require the Secretary of Defense to report to the Congress concerning expenditures for tactical missiles used for training purposes.

The House amendment contained no similar provision.

The House recedes.

Report on feasibility of drug testing prospective recruits (sec. 1442)

The Senate bill contained a provision (sec. 922) that would direct the Secretary of Defense to report on the feasibility of a program to test prospective recruits for drug abuse.

The House amendment contained no similar provision.

The House recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Report concerning ability of United States industries to serve United States defense needs

The House amendment contained a provision (sec. 1136) that would require the Secretary of Defense to report on the ability of U.S. industries to meet the production needs of the Department of Defense.

The Senate bill contained no similar provision.

The House recedes.

Report on United States defense expenditures in the Far East

The House amendment contained a provision (sec. 1139) that would require the Secretary of Defense to report on U.S. defense expenditures in the Far East, Japanese defense expenditures, and the effect increases in Japanese defense expenditures would have on U.S. defense expenditures in the Far East.

The Senate bill contained no similar provision.

The House recedes.

PART E—MISCELLANEOUS PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Introduction of U.S. Armed Forces into Nicaragua (sec. 1451)

Section 1200 of the House amendment would provide that funds appropriated to the Department of Defense may not be obligated or expended for the purpose of introducing U.S. Armed Forces into Nicaragua for combat unless the Congress has declared war or enacted specific authorization for such introduction, or such introduction is necessary to meet a clear and present danger of hostile attack upon the United States, its territories or possessions or its allies, or to meet a clear and present danger to, and to provide necessary protection for, the U.S. Embassy, U.S. Government personnel, or U.S. citizens, or to respond to hijacking, kidnapping, or other acts of terrorism involving citizens of the United States or its allies. Moreover, section 1200 would provide that its provisions would not apply if MIG aircraft, or other aircraft of similar design or capability, or nuclear missiles or any other nuclear weapons are introduced into Nicaragua. Finally, section 1200 would provide that nothing in the section would invalidate any provision of the War Powers Resolution or any authority of the United States to act under the provisions of the Inter-American Treaty of Reciprocal Assistance.

The Senate bill contained no similar provision.

The Senate recedes with an amendment that would provide that it is the sense of Congress that United States armed forces should not be introduced into or over Nicaragua for combat. The amendment also provides that nothing in this section is to be construed as affecting the authority and responsibility of the President or Congress of the United States under the Constitution, statutes, or treaties of the United States in force.

Protection against terrorism (sec. 1452)

The House amendment included a provision (sec. 1174) that would authorize the President to protect U.S. military personnel through necessary and appropriate anti-terrorism and counter-terrorism measures.

The Senate bill contained no similar provision.

The Senate recedes with an amendment expressing the sense of Congress.

Readiness of Special Operations Forces (sec. 1453)

The House amendment contained a provision (sec. 1202) that would express a sense of the Congress that the revitalization of the special operations forces of the Armed Forces should be pursued as a matter of the highest priority. The Senate bill contained no similar provision.

The Senate receded with an amendment, the explanation of which is found in Title I of this Joint Statement of the Managers, in the section entitled "Special Operations Forces".

Use of excess personal property for humanitarian purposes (sec. 1454)

The House bill contained a provision (sec. 311) that would provide authority for the Secretary of Defense to authorize the use of excess and donated supplies by the Department of Defense for the purpose of nonlethal assistance.

The Senate bill contained no similar provision.

The Senate recedes with an amendment to provide authority for the Secretary of Defense to make available for humanitarian relief excess personal property of the Department of Defense, as defined in applicable DoD regulations. However, the conferees believed that such authority should be applied on a world-wide basis.

The conferees agreed that the distribution of humanitarian relief supplies was the responsibility of the Department of State and the conferees did not want to create a new foreign aid or refugee assistance program in the Department of Defense. Therefore, the Senate amendment specified that such excess Department of Defense property be transferred to and distributed by the Department of State. The amendment also established reporting requirements on the disposition of such property. In adopting these provisions, the conferees agreed that the Department of Defense should conduct an active and vigorous inventory of such property and effect its transfer to the Department of State in an expedited fashion.

The conferees agreed that nothing in section 1454 constituted authority to engage in any activity which, if carried out as an intelligence activity by the Department of Defense, would require a finding under section 662 of the Foreign Assistance Act, as amended, or notice to the Intelligence Committees under section 501(a) of the National Security Act of 1947.

Encouragement of construction in U.S. shipyards of combatant vessels for U.S. allies (sec. 1455)

Section 110 of the House amendment contained a provision that would direct the Secretary of the Navy to take the necessary steps to ensure that U.S. shipyards are not inhibited by the Navy from providing diesel submarine combat systems to allied nations and to encourage those U.S. yards not currently building nuclear submarines to construct diesel-electric submarines for allied use. Section 110 would further provide that no procurement funds authorized and appropriated for the U.S. Navy submarine program for fiscal year 1986 could be obligated or expended until the Secretary of the Navy reports to the Congress that no such inhibiting actions are being taken, especially with respect to providing combat systems or submarine construction for South Korea and Israel. Section 110 would also provide that no procurement funds authorized and appropriated for fiscal year 1986 could be obligated or expended for upgrading a foreign shipyard to build diesel-electric submarines until the Secretary of the Navy reports to the Congress that diesel-electric submarines could not be built in the United States without having a negative effect on the construction of U.S. nuclear submarines.

The Senate bill did not contain a similar provision.

The conferees agreed that the Secretary should encourage U.S. shipyards to construct warships for our allies subject only to the safeguarding of sensitive warship technology. The conferees also agreed that the Secretary of the Navy should take such steps as necessary to ensure that no effort is made by the Department of the Navy to inhibit, delay, or halt the provision of any U.S. naval system to our allies subject to approval of such system for export, unless approval of such system for export is withheld to safeguard sensitive U.S. warship technology. Further, the conferees agreed that the Secretary should encourage U.S. industries to participate in the construction of warships—including diesel submarines—outside of the United States where opportunities arise subject to the safeguarding of sensitive warship technology. The Secretary is to take steps to ensure that whenever practicable, at least fifty-one percent of such construction, by dollar value, would be provided by U.S. industries.

Defense industrial base for textile and apparel products (sec. 1456)

Section 1175 of the House amendment would direct the Secretary of Defense to monitor and submit annual reports assessing and making recommendations on the defense industrial base for textile and apparel products. The Senate bill contained no similar provision.

The Senate recedes.

Technology transfer (sec. 1457)

The House amendment contained a provision (sec. 1193) that would amend chapter 139 of title 10, United States Code. The amendment would authorize the Secretary of Defense to encourage the transfer of technology between the Department of Defense and other government and private agencies consistent with national security objectives.

The Senate bill contained no similar provision.

The Senate recedes with an amendment.

Civil Air Patrol (sec. 1458)

The House amendment contained a provision (sec. 1164) that would amend section 9441(b) of title 10, United States Code, relating to the Civil Air Patrol. The provision would grant discretionary authority to the Secretary of the Air Force to authorize reimbursement to the Civil Air Patrol for costs incurred for the purchase of certain items of equipment.

The Senate bill contained no similar provision.

The Senate recedes.

National Science Center for Communications and Electronics (sec. 1459)

The Senate bill contained a provision (sec. 917) that would establish a national center dedicated to communications and electronics.

The House amendment contained a similar provision (sec. 1181).

The House recedes with an amendment.

Limitation on receipt of gratuities at shipbuilding milestone ceremonies (sec. 1461)

Section 1167 of the House amendment would limit to $100 the value of gifts that Federal officers, Federal employees, and Members of Congress could receive either directly or indirectly incident to their attendance at or participation in a shipbuilding milestone ceremony. The limitation on receipt of gifts "directly or indirectly" extends to members of the immediate family of the Federal officer, Federal employee, or Member of Congress.

The Senate bill did not contain a similar provision.

The Senate recedes.

Authority to lease Air Force helicopters to the State of California (sec. 1463)

Section 923 of the Senate bill would authorize the lease of 12 UH-1F helicopters to the Department of Forestry of the State of

California for the purpose of fighting forest fires. The House amendment contained no similar provision.

The House recedes.

Establishment of travel offices or acquisition of travel services (sec. 1464)

The House amendment contained a provision (sec. 1192) that would express the sense of Congress that in the procurement of official travel services the Secretary of each military department should provide for free and open competition among commercial travel agencies, scheduled airline traffic offices (SATO's) and other entities which provide such services.

The Senate bill contained no similar provision.

The conferees agreed, in adopting the House provision, that although competitive procurement of official travel services was in the best interests of the United States government, that certain features of the current SATO system were valuable and should be carried forward in the promulgation of any new Defense or military department implementing directives and regulations.

Accordingly, the conferees directed that the Office of the Secretary of Defense shall, in oversight of the service Secretaries' competitive bidding procedures for the establishment of travel offices or acquisition of travel services, ensure that such activities in the aggregate shall retain the overall capabilities to support the operation of the "War Air Service Program", and a "Contingency Response Program", irrespective of the character of the travel services vendor providing service at each individual base, camp or station. Results of such oversight activities are to be provided to the Committees on Armed Services of the Senate and House of Representatives concurrent with the submission of the President's fiscal year 1989 Defense authorization request.

The Senate recedes.

American stage equipment for United States patriotic events (sec. 1465)

The House amendment contained a provision (sec. 1197) that would express the sense of Congress that performing groups in the Armed Forces should use domestically manufactured entertainment support items at patriotic events in the Capitol building, on the Capitol grounds, and at all Federal buildings, unless there is no domestically manufactured item of comparable quality and price.

The Senate bill contained no similar provision.

The Senate recedes.

Sale of certain recordings of United States Air Force Band (sec. 1466)

The Senate bill contained a provision (sec. 940) that would authorize the commercial sale of the United States Air Force Band concert recorded at Salt Lake City, Utah, on April 18 and 19, 1985.

The House amendment contained a similar provision (sec. 1179).

The Senate recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Industrial fund capitalization program

The Senate bill contained a provision (sec. 912) that would amend section 2208(j) of title 10, United States Code, to remove the statutory floors on funding for the industrial fund capitalization program at 4 percent in fiscal year 1986 and 5 percent in fiscal year 1987.

The House amendment contained no similar provision.

The Senate recedes.

Recruits' basic skills deficiencies studies

The Senate bill contained a provision (sec. 933) that would authorize a study of problem areas that may contribute to the expansion and additional costs of the Army's program to counter deficiencies in the basic skills of its recruits. This study would be conducted by a commission that would additionally conduct a full and complete study of the causes of illiteracy.

The House amendment contained no similar provision.

The Senate recedes.

Lieutenant Colonel Harry L. Shryock

The Senate bill contained a provision (sec. 937) that would provide increased survivor benefits under the Survivor Benefit Plan to the widow of Lieutenant Colonel Harry L. Shryock, USAF (Ret.).

The House amendment contained no similar provision.

The Senate recedes.

Local procurement connected with American military bases in the Philippines

Section 938 of the Senate bill would express the sense of the Senate that the United States should increase its purchases of goods and services for American military bases in the Philippines from the local Philippine economy to the maximum extent feasible.

The House amendment contained no similar provision.

The Senate recedes.

Prohibition on certain transfers to foreign governments

The House amendment contained a provision (sec. 1113) that would prohibit technical data packages for large caliber weapons from being transmitted to any foreign government. The Senate bill contained no similar provision.

The House recedes.

Depot-level maintenance of ships homeported on west coast

Section 1114 of the House amendment contained a provision that would require that not less than one-half of depot-level maintenance workload for naval vessels scheduled, as of May 8, 1985, to be carried out in Japan during fiscal years 1986, 1987, and 1988 be carried out in the United States.

The Senate bill contained no similar provision.

The House recedes.

Contracting requirements

Section 1185 of the House amendment would require 10 percent of all Department of Defense procurement, research and development, and Department of Energy military nuclear program contracts to be awarded to minority businesses, historically minority colleges and universities, and minority institutions. The Senate bill contained no similar provision.

The House conferees agreed to recede to the Senate with the understanding that hearings would be held by the Senate Armed Services Committee on the proposal in conjunction with consideration of the fiscal year 1987 defense authorization request.

Education of high school students residing at West Point

The House amendment contained a provision (sec. 1190) that would authorize the Department of Defense to enter into an arrangement under section 6 of the Act of September 30, 1950, with the Highland Falls-Fort Montgomery School District in New York. In this arrangement, the Department of Defense would contract with the school district for the education of high school students residing at West Point.

The Senate bill contained no similar provision.

The House recedes.

The conferees remain concerned over the long-standing financial difficulties of the Highland Falls-Fort Montgomery School District and other similarly situated public school systems. However, the conferees believe that the Executive Branch already has the authority necessary to enter into the type of arrangement envisioned by the House provision. In addition, there are other administrative actions that the Executive Branch could take to alleviate these impact aid problems. Therefore, the conferees anticipate that the Department of Defense and the Department of Education will promptly cooperate in developing long-term solutions to the problems of the Highland Falls-Fort Montgomery School District and other similarly-situated school systems.

Prohibiting the Department of Defense and the Central Intelligence Agency from providing assistance to the Nicaraguan resistance forces

The House amendment contained a provision (sec. 1209) to prohibit humanitarian assistance to the Nicaraguan Resistance Forces from being provided by the Department of Defense or the Central Intelligence Agency.

The Senate bill contained no similar provision.

The House recedes.

TITLE XV—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

PART A—PROGRAM AUTHORIZATIONS

The Senate incorporated its action on the fiscal year 1986 authorization request for Department of Energy National Security programs into Division C of S. 1160, the National Defense Authorization Act for Fiscal Year 1986. The Senate bill would authorize appropriations in the total amount of $7,637,710,000, a reduction of $321,000,000 from the request of $7,958,710,000.

The House incorporated its action on this request into Title IX of S. 1160, as amended, the Department of Defense Authorization Act, 1986. The House amendment would authorize appropriations for fiscal year 1986 in the total amount of $7,718,124,000, a reduction of $240,586,000 below the requested amount of $7,958,710,000.

The conferees agreed to an authorization of $7,684,305,000, a reduction of $274,405,000 from the requested amount.

For purposes of comparison, the budget request, the provisions of the Senate bill, the provisions of the House amendment, and the conference agreements on the differences are itemized in the following table. Unless otherwise noted in the body of this report, reductions from the requested amounts are due to budgetary constraints.

Fiscal Year 1986 Department of Energy National Security Programs

[Amounts in millions of dollars]

Program	FY 1986 Authorization Request	S.1160 House Amendment	S.1160 Senate Bill	Conference	Change from Request
Total DOE Operating Expenses.............	6187.022	6147.356	6062.022	6138.237	-48.785
Total DOE Plant Construction Expenses....	1291.301	1115.661	1115.301	1098.961	-192.340
Total DOE Capital Equipment..............	480.387	477.387	460.387	479.387	-1.000
Subtotal, DOE Defense Activities.......	7958.710	7740.404	7637.710	7716.585	-242.125
Adjustments............................	0.000	-22.280	0.000	-32.280	-32.280
Savings (management initiatives).....		(-14.000)		(-14.000)	
Proposed Rescission..................		(-8.280)		(-8.280)	
ADP General Reduction...............				(-10.000)	
TOTAL, DOE DEFENSE ACTIVITIES..........	7958.710	7718.124	7637.710	7684.305	-274.405

Fiscal Year 1986 Department of Energy Defense Activities

[Amounts in millions of dollars]

Program	FY 1986 Authorization Request	S.1160 House Amendment	S.1160 Senate Bill	Conference
Section 1511--Operating Expenses				
WEAPONS ACTIVITIES				
Research and Development	920.300	850.300	850.300	850.300
Testing	544.000	539.000	524.000	537.800
Inertial Confinement Fusion	0.000	145.000	145.000	145.000
Glass Laser Experiments		(88.000)		
Gas Laser Experiments		(38.000)		
Pulsed Power Experiments		(19.000)		
Conventional Munitions		(0.000)	(10.000)	(10.000)
Production and Surveillance	1942.400	1893.419	1862.400	1887.400
Program Direction	98.700	98.700	63.700	98.700
Weapons Program	(49.855)	(49.855)	(49.855)	(49.855)
Community Assistance	(48.845)	(48.845)	(13.845)	(48.845)
Total, Weapons Activities	3505.400	3526.419	3445.400	3519.200
MATERIALS PRODUCTION				
Reactor Operations	586.380	581.380	576.380	576.380
Processing of Nuclear Materials	493.145	502.445	488.145	493.145
Special Isotope Separation	(74.800)	(74.800)	(74.800)	(74.800)
Supporting Services	256.575	256.575	256.575	256.575
Plasma Separation Process	(12.700)	(26.000)	(12.700)	(26.000)
Enriched Material	258.900	214.000	208.900	208.900
Program Direction	21.300	21.300	21.300	21.300
Total, Materials Production	1616.300	1575.700	1551.300	1556.300
DEFENSE WASTE AND BYPRODUCT MANAGEMENT				
Interim Waste Management	281.085	271.000	271.085	271.000
Long-term Waste Management Technology	96.567	96.567	96.567	96.567
Terminal Storage	25.070	25.070	25.070	25.070
Program Direction	2.400	2.400	2.400	2.400
Total, Defense Nuclear Waste	405.122	395.037	395.122	395.037

Fiscal Year 1986 Department of Energy Defense Activities

[Amounts in millions of dollars]

Program	FY 1986 Authorization Request	S.1160 House Amendment	S.1160 Senate Bill	Conference
VERIFICATION AND CONTROL TECHNOLOGY				
Verification and Control Technology	79.675	79.675	89.675	87.175
Program Direction	3.800	3.800	3.800	3.800
Total, Verification & Control Tech	83.475	83.475	93.475	90.975
NUCLEAR SAFEGUARDS AND SECURITY				
Nuclear Safeguards and Security	47.400	47.400	47.400	47.400
Program Direction	6.925	6.925	6.925	6.925
Total, Nuclear Materials Security and Safeguards Development	54.325	54.325	54.325	54.325
SECURITY INVESTIGATIONS	33.400	33.400	33.400	33.400
NAVAL REACTORS DEVELOPMENT				
Plant Development	66.000	66.000	66.000	66.000
Reactor Development	261.300	261.300	261.300	261.300
Reactor Operation and Evaluation	150.000	150.000	150.000	150.000
Program Direction	11.700	11.700	11.700	11.700
Total, Naval Reactors Development	489.000	489.000	489.000	489.000
ADP General Reduction	0.000	-10.000	0.000	0.000
TOTAL, DOE DEFENSE ACTIVITIES OPERATING EXPENSES	6187.022	6147.356	6062.022	6138.237

Fiscal Year 1986 Department of Energy Defense Activities

[Amounts in millions of dollars]

Program	FY 1986 Authorization Request	S.1160 House Amendment	S.1160 Senate Bill	Conference
Section 1512 -- Plant and Capital Equipment				
WEAPONS ACTIVITIES				
86-D-101, General plant projects, various locations......................	29.900	29.900	26.900	26.900
86-D-121, General plant projects, various locations......................	33.700	33.700	28.700	28.700
86-D-103, Decontamination and waste treatment facility, Lawrence Livermore National Laboratory, Livermore, CA......	1.000	3.700	3.700	3.700
86-D-104, Strategic defense facility, Sandia National Laboratories, Albuquerque, New Mexico.................	8.000	0.000	8.000	4.000
86-D-105 (86-D-132 in Senate bill) Instrumentation systems laboratory, Sandia National Laboratories, Albuquerque, New Mexico.................	0.000	6.200	6.200	6.200
86-D-122, Structural upgrade of existing plutonium facilities, Rocky Flats Plant, Golden, Colorado.................	3.000	3.000	3.000	3.000
86-D-123, Environmental hazards elimination, various locations..........	8.700	8.700	8.700	8.700
86-D-124, Safeguards and site security upgrading, Phase II, Mound Plant, Miamisburg, Ohio........................	3.000	3.000	3.000	3.000
86-D-125, Safeguards and site security upgrading, Phase II, Pantex Plant, Amarillo, Texas.........................	1.500	1.500	1.500	1.500
86-D-130, Tritium loading facility replacement, Savannah River Plant, Aiken, South Carolina..................	5.000	0.000	5.000	5.000
86-D-131, Environmental remedial action, Lawrence Livermore National Laboratory	0.000	0.000	8.800	0.000
86-D-133, Data Communications Center, Los Alamos National Laboratory, New Mexico	0.000	0.000	3.000	3.000
85-D-102, Nuclear weapons research, development, and testing facilities revitalization, Phase I, various locations...............................	81.600	65.400	71.600	65.400
85-D-103, Safeguards and security enhancements, Lawrence Livermore and Sandia National Labs, Livermore, CA.....	27.900	16.400	16.400	16.400
85-D-105, Combined device assembly facility, Nevada Test Site, Nevada......	45.400	0.000	19.200	7.000
85-D-106, Hardened engineering test Building, Lawrence Livermore National Laboratory, Livermore, California.......	1.900	1.900	1.900	1.900
85-D-112, Enriched uranium recovery improvements, Y-12 Plant, Oak Ridge, TN.	15.300	15.300	15.300	15.300
85-D-113, Power plant and steam distribution system, Pantex Plant, Amarillo, Texas.........................	18.500	18.500	18.500	18.500

Fiscal Year 1986 Department of Energy Defense Activities

[Amounts in millions of dollars]

Program	FY 1986 Authorization Request	S.1160 House Amendment	S.1160 Senate Bill	Conference
~~WEAPONS ACTIVITIES~~, continued				
85-D-115, Renovate plutonium building utility systems, Rocky Flats Plant, Golden, Colorado........................	17.700	17.700	17.700	17.700
85-D-121, Air and water pollution control facilities, Y-12 Plant, Oak Ridge, Tennessee........................	14.000	14.000	14.000	14.000
85-D-123, Safeguards and site security upgrade, Phase I, Pantex Plant, Amarillo Texas..................................	4.000	4.000	4.000	4.000
85-D-124, Safeguards and site security upgrade, Rocky Flats Plant, Golden, CO..	2.400	2.400	2.400	2.400
85-D-125, Tactical bomb production facilities, various locations...........	11.000	11.000	6.000	6.000
84-D-102, Radiation-hardened integrated circuit laboratory, Sandia National Laboratories, Albuquerque, N.M..........	15.500	15.500	15.500	15.500
84-D-104, Nuclear materials storage facility, Los Alamos National Laboratory Los Alamos, New Mexico..................	12.100	12.100	12.100	12.100
84-D-107, Nuclear testing facilities revitalization, various locations.......	30.540	14.900	20.540	14.900
84-D-112, Trident II warhead production facilities, various locations...........	60.700	60.700	60.700	60.700
84-D-113, Antisubmarine warfare/standoff weapon warhead production facilties, various locations......................	16.000	10.000	0.000	10.000
84-D-115, Electrical system expansion, Pantex Plant, Amarillo, Texas...........	3.300	3.300	3.300	3.300
84-D-117, Inert assembly and test facility, Pantex Plant, Amarillo, Texas.	0.400	0.400	0.400	0.400
84-D-118, High explosive subassembly facility, Pantex Plant, Amarillo, Texas.	40.000	33.000	33.000	33.000
84-D-120, Explosive component test facility, Mound Facility, Miamisburg, OH	2.300	2.300	2.300	2.300
84-D-211, Safeguards and site security upgrading, Y-12 Plant, Oak Ridge, TN....	7.500	7.500	7.500	7.500
84-D-212, Safeguards and site security upgrade, Pinellas Plant, Florida........	3.800	3.800	3.800	3.800
83-D-199, Buffer land acquisition, Lawrence Livermore and Sandia National Laboratories, Livermore, California.....	17.000	10.000	7.000	10.000
82-D-107, Utilities and equipment restoration, replacement, and upgrade, Phase III, various locations............	195.500	175.500	170.000	170.000
82-D-111, Interactive graphics systems various locations.......................	6.000	6.000	4.000	4.000
82-D-144, Simulation technology laboratory, Sandia National Laboratories Albuquerque, New Mexico.................	10.300	10.300	10.300	10.300
79-7-0, Universal pilot plant, Pantex Plant, Amarillo, Texas.........	4.500	4.500	4.500	4.500
Total, Weapons Activities............	758.940	626.100	648.440	624.600

Fiscal Year 1986 Department of Energy Defense Activities

[Amounts in millions of dollars]

Program	FY 1986 Authorization Request	S.1160 House Amendment	S.1160 Senate Bill	Conference
MATERIALS PRODUCTION				
86-D-146, General plant projects, various locations	34.800	32.500	29.800	29.800
86-D-149, Productivity retention program, Phase I, various locations	27.200	27.200	24.200	24.200
86-D-148, Special isotope separation plant, (design only) site undesignated	0.000	8.000	0.000	8.000
86-D-150, In-core neutron monitoring system, N reactor, Richland, Washington.	5.460	5.460	4.460	4.460
86-D-151, PUREX electrical system upgrade, Richland, Washington	3.500	3.500	2.500	2.500
86-D-152, Reactor electrical distribution system, Savannah River, SC.	4.000	4.000	2.000	2.000
86-D-153, Additional line III furnace, Savannah, River, South Carolina	2.000	2.000	1.500	1.500
86-D-154, Effluent treatment facility, Savannah River, South Carolina	2.500	2.500	2.500	2.500
86-D-156, Plantwide safeguards systems, Savannah River, South Carolina	3.000	3.000	3.000	3.000
86-D-157, Hydrofluorination system - FB-line, Savannah River, South Carolina.	2.200	2.200	2.200	2.200
85-D-137, Vault safety special nuclear material inventory system, Richland, WA.	1.900	1.900	1.900	1.900
85-D-139, Fuel processing restoration, Idaho Fuels Processing Facility, Idaho National Engineering Laboratory, Idaho	15.000	15.000	12.000	12.000
85-D-140, Productivity and radiological improvements, Feed Materials Production Center, Fernald, Ohio	12.000	12.000	12.000	12.000
85-D-145, Fuel production facility, Savannah River, SC	16.000	16.000	16.000	16.000
84-D-135, Process facility modifications Purex, Richland, Washington	15.000	15.000	12.000	15.000
84-D-136, Enriched uranium conversion facility modifications, Y-12 Plant, Oak Ridge, Tennessee	7.200	7.200	7.200	7.200
83-D-148, Non-radioactive hazardous waste management, Savannah River, S.C.	3.100	3.100	3.100	3.100
82-D-124, Restoration of production capabilities, Phases II, III, IV and V, various locations	48.900	44.900	43.900	43.900
82-D-201, Special plutonium recovery facilities, JB-line, Savannah River, South Carolina	4.400	4.400	4.400	4.400
Total, Materials Production	208.160	209.860	184.660	195.660
DEFENSE WASTE AND BYPRODUCTS MANAGEMENT				
86-D-171, General plant projects, interim waste operations and long-term waste management technology, various locations	26.451	25.451	24.451	24.451
86-D-172, B plant F filter, Richland, WA	1.000	1.000	1.000	1.000
86-D-173, Central waste disposal facility, Oak Ridge, Tennessee	1.000	1.000	1.000	1.000
86-D-174, Low-level waste processing and shipping system, Feed Materials Production Center, Fernald, Ohio	2.500	2.500	2.500	2.500
86-D-175, Idaho National Engineering Laboratory security upgrade, Idaho National Engineering Laboratory (INEL), Idaho	2.000	2.000	2.000	2.000
85-D-157, Seventh calcined solids storage facility, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho	14.500	14.500	14.500	14.500

Fiscal Year 1986 Department of Energy Defense Activities

[Amounts in millions of dollars]

Program	FY 1986 Authorization Request	S.1160 House Amendment	S.1160 Senate Bill	Conference
DEFENSE WASTE, continued				
85-D-158, Central warehouse upgrade, Richland, Washington....................	5.000	5.000	5.000	5.000
85-D-159, New waste transfer facilities H-area, Savannah River, S.C.............	9.000	9.000	9.000	9.000
85-D-160, Test reactor area security system upgrade, Idaho National Engineering Laboratory (INEL), Idaho....	2.250	2.250	2.250	2.250
81-T-105, Defense waste processing facility, Savannah River, S.C...........	205.000	165.000	165.000	165.000
Total, Defense Waste & Byproduct Mgmt.	268.701	227.701	226.701	226.701
VERIFICATION AND CONTROL TECHNOLOGY				
85-D-171, Space science laboratory, Los Alamos, New Mexico.................	4.500	4.500	4.500	4.500
NUCLEAR SAFEGUARDS AND SECURITY				
86-D-186, Nuclear safeguards technology laboratory, Los Alamos National Laboratory, Los Alamos, New Mexico......	1.000	1.000	1.000	1.000
NAVAL REACTORS DEVELOPMENT				
86-N-101, General plant projects, various locations.......................	7.500	4.000	7.500	4.000
86-N-104, Reactor modifications, advance test reactor, Idaho National Engineering Laboratory..............................	4.500	4.500	4.500	4.500
82-N-111, Materials facility, Savannah River, S.C..............................	11.000	11.000	11.000	11.000
81-T-112, Modifications and additions to prototype facilities, various locations...............................	27.000	27.000	27.000	27.000
Total, Naval Reactors Development.....	50.000	46.500	50.000	46.500
TOTAL, DOE DEFENSE ACTIVITIES PLANT CONSTRUCTION..................	1291.301	1115.661	1115.301	1098.961
CAPITAL EQUIPMENT				
Weapons Activities......................	277.750	266.750	267.750	267.750
Inertial Confinement Fusion.............	0.000	10.000	0.000	10.000
Materials Production....................	123.440	123.440	113.440	123.440
Defense Waste & Byproducts Management...	38.997	38.997	38.997	38.997
Verification and Control Technology.....	5.600	5.600	5.600	5.600
Nuclear Safeguards and Security.........	4.600	4.600	4.600	4.600
Naval Reactors Development..............	30.000	28.000	30.000	29.000
TOTAL, DOE DEFENSE ACTIVITIES CAPITAL EQUIPMENT...................	480.387	477.387	460.387	479.387
Subtotal, Operating Expenses..........	6187.022	6147.356	6062.022	6138.237
Subtotal, Plant Construction..........	1291.301	1115.661	1115.301	1098.961
Subtotal, Capital Equipment...........	480.387	477.387	460.387	479.387
Less, Adjustments......................	0.000	-22.280		-32.280
Savings (management initiatives)...		(-14.000)		(-14.000)
Proposed Rescission................		(-8.280)		(-8.280)
ADP General Reduction.............				(-10.000)
TOTAL, DOE DEFENSE ACTIVITIES.........	7958.710	7718.124	7637.710	7684.305

The reports by the respective Houses on the bills containing the National Defense Programs of the Department of Energy for fiscal year 1986 contained details on the budget request and policy guidance and requirements with regard to many aspects of the programs. Unless modifying language is included in this statement of managers, the report language, to include guidance, recommendations and requirements, included in both the report of the House of Representatives (H. Rept. 99-81) and of the Senate (S. Rept. 99-41) is concurred in by the conferees.

OPERATING EXPENSES (SEC. 1511)

Operating expenses, weapon activities (sec. 1511(2))

Research and development

Both the Senate bill and the House amendment contained $850.3 million for weapons research and development. The Senate, however, would allocate $10.0 million of this amount for conventional weapons research and development by the three national weapons laboratories—Sandia National Laboratories, Livermore National Laboratory and Los Alamos National Laboratory. The conferees agree that the national weapons laboratories possess unique capabilities that can be utilized in the development of conventional weapons that are not readily available at other facilities. The conferees, therefore, adopt the Senate position.

Inertial confinement fusion

The budget request contained no discrete amount for the intertial confinement fusion (ICF) program. The department had planned to allocate $70.0 million from the weapon research and development program for this purpose during fiscal year 1986.

The Senate bill and House amendment contained $145.0 million for operating expenses for ICF. The House amendment also apportioned operating expenses among three ICF subprograms: glass laser research, gas laser research, and pulsed power research.

The conferees recommend authorization of $145.0 million for ICF operating expenses and $10.0 million for capital equipment.

The confernce allowance for Inertial Confinement Fusion (ICF) research represents a reduction in this important program from the level of effort authorized in prior years. The reason for this reduction, as explained in both the Senate and House reports on this legislation, is the overall constraint placed on the defense budget while research requirements are increasing. The conferees recognize that a decreased authorization level for ICF will require some programmatic changes and will challenge management of the department in the maintenance of the robust program that the Congress has supported for many years.

The conferees believe that such a robust program is possible within the $155.0 million authorized if these funds are efficiently apportioned in consonance with goals established for the ICF program, and according to the technical merit and expected contribution that the various participants in the program can make toward achieving those goals.

As directed by the fiscal year 1985 Department of Energy Authorization Act, the President has appointed a Technical Review Panel to review the ICF program, its accomplishments, goals and future direction. Although this panel has not yet submitted a report, its report is expected to provide valuable assistance to DOE's ICF management team and to the Congress in providing for future authorizations, funding and an organizational structure for the program.

For the above reasons, the conferees recommend the retention of the ICF program as a distinct program from weapons research and development, but do not endorse the allocation of operating expenses between the three major subprograms as in prior years. Not later than October 1, 1985, the Secretary of Energy is directed to report to the Committee on Armed Services of the Senate and House of Representatives, his plan and rationale for apportionment of these funds.

Production and surveillance

The budget request contained $1,942.4 million for weapons production and surveillance activities. The Senate bill contained $1,862.4 million for this purpose. The House amendment would authorize $1,893.419 million. Because of budgetary constraints, the conferees recommend authorization of $1,887.4 million for weapons production and surveillance—a reduction of $55.0 million from the requested amount. The conferees are aware that this reduction may result in delays or curtailment of one or more weapons production programs.

Program direction

Section 3101 of the Senate bill would authorize $63.7 million for program direction activities. Section 911 of the House amendment would authorize $98,700,000 for program direction activities as requested, which included $48,845,000 for community assistance payments under the provisions of section 91 of the Atomic Energy Act of 1954, as amended, known as the Atomic Energy Community Act of 1955.

The difference of $35,000,000 is due to section 932 of the House amendment, which would authorize a one-time final liquidation payment in that amount to the Oak Ridge, Tennessee area communities to terminate their eligibility for any future community assistance payments.

The conferees agreed to authorize the sum of $98,700,000, including the one-time final payment to the Oak Ridge communities, with the condition enumerated in Section 1532, namely, that no funds may be obligated for this purpose until the Department of Energy provides to the Committees on Armed Service of the Senate and House of Representatives a copy of an executed contract for a final financial settlement. Furthermore, the Secretary must report to Congress on the need for further payments under the Atomic Energy Community Act of 1955 not later than February 1, 1986.

Operating expenses, verification and control technology (sec. 1511(3))

The Senate bill would authorize $93.475 million for verification and control technology, an addition of $10 million to expand research in this area both in basic technologies and in novel concepts. The Senate bill also directed a set-aside of $2 million for Argonne National Laboratory to establish a new office to carry out verification technology programs. The House amendment would authorize $83.475 million but contained no set-aside provision.

The House recedes with an amendment authorizing $90.975 million for verification and control technology. The Senate recedes on the set-aside for Argonne National Laboratory.

The conferees understand that all of the nuclear weapons laboratories and the Argonne National Laboratory have submitted proposals to the Department of Energy for the pursuit of verification technology. Subject to the availability of appropriations, the conferees recommend that the Department of Energy consider all of these proposals on their merits.

Operating expenses, nuclear materials production (sec. 1511(4))

Processing of nuclear materials

Section 911 of the House amendment would authorize $502,445,000, and would allocate $74.8 million for the Special Isotope Separation (SIS) program and $26.0 million for the Plasma Separation Process (PSP) program. In addition, section 912 of the House amendment would authorize $8.0 million to initiate the design of the SIS plant (project 86-D-148). The Senate bill would authorize $488,145,000, and contained no similar provision. The conferees recommend authorization of $493,145,000 for this activity, the allocation of $74.8 million for SIS operating expenses, and the approval of project 86-D-148.

It is the intent of the conferees that the Secretary of Energy provide by February 1, 1986 a management plan for the SIS program to the Committees on Armed Services of the Senate and the House of Representatives establishing firm timelines for completion of the production facility authorized by project 86-D-148. This report should address the cost, schedule, siting, and management, to include how SIS technology is to be transferred from the National Laboratory to the operating contractor.

Supporting services

Both the Senate bill and the House amendment would authorize $256,575,000 for supporting services. The conferees recommend authorization of $256.575 million and the allocation of $26.0 million of that amount to the Plasma Separation Process. The House report (H. Rept. 99-81) directs that at least $22,000,000 of that amount be for PSP process development.

Enriched material

The conferees agreed to authorize $208,900,000 for uranium enrichment, a reduction of $50.0 million from the requested amount. A total of $32.0 million of the reduction is associated with work in progress charges; the remainder is due to budgetary constraints.

Operating expenses, defense waste and byproduct management (sec. 1511(5))

The Senate bill would authorize $395,122,000 for defense waste and byproduct management. The House amendment would authorize $395,037,000 for this purpose.

The conferees recommend $395,037,000, of which $271,000,000 is for interim waste management. The conferees are pleased that the Secretary of Energy will conduct experiments to demonstrate the qualification of actual glass waste and production canisters from the Defense Waste Processing Facility at the Waste Isolation Pilot Plant. High level waste will be removed after the completion of the qualification experiments.

PLANT AND CAPITAL EQUIPMENT (SEC. 1512)

Project 86-D-104, strategic defense facility, Sandia National Laboratory

The conferees agree to authorize $8.0 million to begin this facility, with $4.0 million from amounts authorized for Department of Energy defense programs, and $4.0 million from funds authorized for the Strategic Defense Initiative in accordance with the letter dated June 20, 1985 from the Director, Strategic Defense Initiative Organization to the Deputy Assistant Secretary of Energy. The conferees expect that the $83.8 million total cost of this facility will be shared in some equitable way between the Department of Energy and the SDIO.

Project 86-D-105, instrumentation systems laboratory

Authorization for this project, denoted 86-D-132 in the Senate bill, is contained in both the Senate bill and the House amendment.

Project 86-D-130, tritium loading facility

The Senate bill would authorize $5.0 million for the initial design of this $120.0 million facility. The House amendment contained no similar provision.

The conferees agreed to an authorization of $5.0 million and direct that the Department of Energy reexamine the scope and cost of this facility before beginning construction, and should report to the Armed Services Committees whether, upon reconsideration, the conservative reinforced concrete design and extensive new instrumentation are both necessary and affordable. In particular, the department should explain whether costs can be avoided by using new equipment included in recent improvements to the existing tritium loading facility under projects 84-D-112, 82-D-107, and 82-D-109, which will be available when the existing facility is decommissioned.

Project 86-D-131, environmental remedial action

The Senate bill contained authorization for an $8.8 million project for environmental remedial action at Lawrence Livermore Laboratory. The House amendment contained no similar provisions. The conferees agreed that funding for this remedial action would be more appropriately included under operating expenses. Accordingly, the Senate recedes on the construction project, and the conferees agreed that the authorization for weapons activities operating expenses of $3.519 billion, an increase of $13.8 million over the department's request, is adequate for purposes of accommodating environmental remedial action.

Project 85-D-105, combined device assembly facility

The Senate bill would authorize $19.2 million to begin construction of this $75.0 million project. The House amendment contained no similar provision; the House report (H. Rept. 99-81, p. 277) expressed concern about the costs and scope of the project.

The conferees agreed to recommend authorization of $7.0 million for initial construction, but to direct the Department of Energy to present to the Committees on Armed Services a conceptual design for a project of significantly reduced size and scope that will still meet the requirements of safety and security.

Project 86-D-148, special isotope separation plant (site undesignated)

The House amendment would authorize $8.0 million to begin this facility. The Senate bill contained no similar provision. The Senate recedes.

Capital equipment

The conferees agreed to recommend authorization of $479,387,000 for capital equipment, including $267,750,000 for weapons activities, $10,000,000 for inertial confinement fusion, $123,440,000 for materials production, and $29,000,000 for naval reactors development.

Chroma laser upgrade

The conferees note that one of the participants in the Inertial Confinement Fusion program has submitted a $4.6 million proposal to upgrade a chroma laser to support the lead laboratory glass laser program.

Because the conferees could not agree on the technical merits of this proposal, the conferees request that the Technical Review Group on Inertial Confinement Fusion, appointed pursuant to section 1633 of the Department of Defense Authorization Act of 1985, review the chroma laser upgrade proposal and provide their findings to the Department of Energy by January, 1986. If this review concludes that the chroma laser upgrade is cost effective, then the conferees recommend that the Secretary of Energy fund the proposal.

PART B—RECURRING GENERAL PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Reprogramming (sec. 1521)

The Senate bill contained a provision (sec. 3121) that would permit the Secretary of Energy to reprogram funds authorized with notification of the appropriate committees of Congress. The House amendment contained a provision (sec. 921) that would permit such reprogramming after the appropriate committees of Congress had expressed no objection.

The Senate recedes.

Limits on general plant projects (sec. 1522)

Section 3122 of the Senate bill and section 922 of the House amendment would establish limits on general plant projects.

The House recedes to the Senate limit of $1.2 million for projects authorized under this title.

Limits on construction projects (sec. 1523)

The Senate bill contained a provision (sec. 3123) that would prohibit the start of a construction project under certain conditions unless the Secretary of Energy submits a detailed report to the appropriate committees of Congress. The House amendment contained a nearly identical provision (sec. 923) that would allow construction to begin as long as the appropriate committees of Congress have posed no objection.

The Senate recedes.

Authority for construction design (sec. 1525)

Section 925 of the House amendment would set limits for advanced planning and engineering design for construction projects. The Senate bill contained no similar provision. The Senate recedes.

Availability of funds (sec. 1527)

The provisions in the Senate bill (sec. 3127) and the House amendment (sec. 929) contained minor drafting differences. The House recedes.

Adjustment for pay increases (sec. 1528)

The House amendment contained a provision (sec. 928) that would authorize increased appropriations for program direction, if necessary, for increases in federal employee salaries and benefits. The Senate bill contained no similar provision. The Senate recedes.

PART C—PROGRAM REVISIONS AND MISCELLANEOUS PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

General reduction (sec. 1531)

Section 931 of the House amendment would reduce authorizations by $32.28 million of which $10.0 million would be derived from reductions in procurement of automatic data processing equipment, $14.0 million for identified management savings and $8.2 million from a proposed rescission of prior year funds. The Senate bill contained no similar provision. The Senate recedes.

Community assistance payments (sec. 1532)

Section 932 of the House amendment would authorize the Secretary of Energy to obligate $41.133 million for a final lump sum financial settlement of future payments under the Atomic Energy Community Act with respect to the Oak Ridge, Tennessee communities. It would further require a report to Congress on future payments to other communities and would require an executed contract from the Oak Ridge communities. The Senate bill contained no similar provision. The Senate recedes.

Improvements to DOE building at Oak Ridge, Tennessee (sec. 1533)

The House amendment contained a provision (sec. 933) that would authorize obligations of not more than $5 million from funds otherwise available to DOE to renovate an existing DOE building at Oak Ridge, Tennessee if the Secretary of Energy determines that renovation is required for research projects to support the Strategic Defense Initiative. This provision contains no new authorization. The Senate bill contained no similar provision. The Senate recedes.

Prohibition of use of funds for certain purposes (sec. 1534)

The House amendment contained a provision (sec. 934) that would prohibit the use of funds appropriated pursuant to this act for eight purposes, including influencing Congress, entertainment and gifts.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment conforming this provision to the language in section 911 relating to Department of Defense contracts. Although the Secretary of Energy is directed to promulgate regulations and is authorized to establish appropriate definitions, exclusions, limitations and qualifications to the list of items for which costs may not be submitted on Department of Energy contracts for defense-related programs, the conferees direct that to the maximum extent practicable such regulations be consistent with those promulgated by the Secretary of Defense. The conferees recognize that there may be instances where, because of the nature of the Department of Energy's contractual relations with laboratories or others, regulations implementing this section may be different from those established by the Department of Defense. In the event the Secretary of Energy proposes to establish different criteria than that proposed by the Secretary of Defense, the Secretary of Energy shall provide a report to the Committees on Armed Services of the Senate and the House of Representatives explaining the need for the difference in the treatment of such costs.

Technical amendments (sec. 1535)

Section 935 of the House amendment would correct an erroneous reference contained in the fiscal year 1985 authorization act pertaining to DOD defense programs. The Senate bill contained no similar provisions. The Senate recedes.

TITLE XVI—OTHER GENERAL PROVISIONS

PART A—CIVIL DEFENSE

LEGISLATIVE PROVISIONS ADOPTED

The President's budget request included $119.125 million for civil defense. The Senate bill contained a provision (sec. 4101) that would authorize $119.125 million. The House amendment contained a provision (sec. 701) that would authorize $141.425 million.

The conferees agreed to an authorization of $130.0 million.

The conferees are concerned about an apparent lack of focus and direction in the current civil defense program. This situation is manifested in the funding emphasis on state and local civil disaster programs, which while meritorious, is a questionable use of national defense budget resources; and in the uncertain policy implications of increased strategic defense emphasis on the civil defense program.

The conferees, therefore, direct the Administration to conduct, as a matter of priority, an extensive and thorough review of national civil defense objectives, policies, and programs. A report of the findings should be submitted to the Committees on Armed Services of the Senate and House of Representatives by March 3, 1986 to provide a basis for decision on the civil defense program for fiscal year 1987 and beyond.

PART B—NATIONAL DEFENSE STOCKPILE

LEGISLATIVE PROVISIONS ADOPTED

Funding for National Defense Stockpile (sec. 1611)

The Senate bill contained a provision (sec. 802) that would provide that 30 percent of the net proceeds from the Naval Petroleum Reserves during fiscal year 1986 be deposited to the National Defense Stockpile Transaction Fund.

The House amendment contained a similar provision (sec. 1165(a)) for fiscal year 1986 and thereafter.

The House recedes

Prohibition of reductions of Stockpile Goals (sec. 1612)

The House amendment contained a provision (sec. 1165(c)) that would prohibit the President before October 1, 1986, from lowering the goals for strategic and critical materials in the stockpile below those in effect on October 1, 1984.

The Senate bill contained no similar provision.

The Senate recedes.

Study of loss of production capacity of critical ferroalloy products (sec. 1613)

The Senate bill contained a provision (sec. 924) that would provide for a study by the Department of Defense of the effect on the defense industrial base of the loss of all domestic ferroalloy productive capacity.

The House amendment contained no similar provision.

The House recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Authorizing disposal of excess stockpile materials.

The Senate bill contained a provision (sec. 801) that would authorize disposal of specific quantities of 21 materials currently in excess of stockpile requirements.

The House amendment contained no similar provision.

The Senate recedes with the understanding that disposal authority contained in section 902 of Public Law 98-525, the Department of Defense Authorization Act for 1985, remains current and is adequate for fiscal year 1986. In the coming months, the Committees on Armed Services of the Senate and the House of Representatives will be reviewing the issues associated with the National Defense Stockpile including the adequacy of disposal authority and acquisition policy.

Raising the Transaction Fund ceiling on disposal authority

The House amendment contained a provision (sec. 1165(b)) that would increase the unobligated balance permitted in the National Defense Stockpile Transaction Fund to $250 million to provide for the orderly management of the fund. Section 903 of Public Law 98-525 provides that materials may not be sold if the unobligated balance exceeds $100 million after October 1, 1986.

The Senate bill contained no similar provision.

Consistent with the conference agreement on deposit of receipts, the Senate recedes with an amendment that would limit the unobligated balance to $100 million after October 1, 1987.

PART C—OTHER MATTERS

LEGISLATIVE PROVISIONS ADOPTED

Support for the Selective Service System (sec. 1621)

The House amendment contained a provision (sec. 1166) expressing the sense of the Congress that the President should recognize by proclamation the contribution of young men to the success of the peacetime registration program.

The Senate bill contained no similar provision.

The Senate recedes with technical amendments.

Selective service registration requirement (sec. 1622)

The Senate bill contained a provision (sec. 927) stating that anyone born since 1960 and required under law to have registered with the Selective Service System who has failed to so register should be ineligible for employment in any executive agency.

The House amendment contained no similar provision.

The House recedes with four amendments. The amendments state that non-registration must be knowing and willful, require that the burden of proof for judging whether non-registration is knowing and willful falls upon the job applicant, call for a report on the feasibility of extending the employment restriction to those born before 1960, and require a study of the relative costs and benefits of corroborating registration on a spot check or on an individual basis.

Authority to provide Coast Guard commandant residence-to-work transportation provided other service chiefs (sec. 1623)

The House amendment contained a provision (sec. 1162) that would authorize the provision of residence-to-work transportation provided other service chiefs to the Commandant of the Coast Guard.

The Senate bill contained no similar provision.

The Senate recedes.

Acceptance of certain volunteer services (sec. 1624)

The House amendment contained a provision (sec. 1163) that would authorize the Commandant of the Coast Guard to accept voluntary services in military museums and family support programs.

The Senate bill contained no similar provision.

The Senate recedes.

Authority to exempt certain physicians at the United States Soldiers' and Airmen's Home from reductions in retired pay (sec. 1625)

The Senate bill contained a provision (sec. 532) that would authorize the Governor of the United States Soldiers' and Airmen's Home to grant two exceptions from the dual compensation provisions of section 5532 of title 5, United States Code, if necessary to recruit or retain well-qualified physicians for the home.

The House amendment contained no similar provision.

The House recedes.

Management of military records maintained by the National Archives and Records Administration (sec. 1626)

The Senate bill contained a provision (sec. 945) expressing the sense of Congress that the Archivist of the United States should appoint an advisory committee to study the management of military records by the National Archives and Records Administration and to make recommendations to the Archivist on ways to improve the management and maintenance of such records in order to enhance public access. In addition, the provision would require that the Archivist transmit to the Congress a report outlining 5-year, 10-year, and 20-year plans to improve military records management.

The House amendment contained no similar provision.

The House recedes with an amendment providing that the study will be conducted by the Archivist rather than by an advisory committee, and directing the Archivist to submit a single report to the Congress outlining a plan for improving military records management.

Robert C. Byrd honors scholarship program (sec. 1627)

The Senate bill contained a provision (sec. 949) that would rename the Federal Merit Scholarship Program the "Robert C. Byrd Honors Scholarship Program."

The House amendment contained no similar provision.

The House recedes.

National Guard stamp (sec. 1628)

The Senate bill contained a provision (sec. 929) expressing the sense of the Senate that the Postal Service issue a stamp in 1986 commemorating the 350th anniversary of the National Guard.

The House amendment contained no similar provision.

The House recedes.

LEGISLATIVE PROVISION NOT ADOPTED

Employment of local residents

The Senate bill contained a provision (sec. 941) that would require employment of local residents in high unemployment states not contiguous with any other state, or any contract awarded under chapter 137 of title 10 that is for construction or services to be performed in those states.

The House amendment contained no similar provision.

The Senate recedes.

From the Committee on Armed Services on all provisions:

Les Aspin,
Melvin Price,
Wm. L. Dickinson,

From the Committee on Armed Services on all provisions except sections 711, 713, 933 and 949 of the Senate bill and modifications committed to conference:

Charles E. Bennett,
Samuel S. Stratton,
Bill Nichols,
Dan Daniel,
G.V. Montgomery,
Beverly Byron,
Nicholas Mavroules,
Earl Hutto,
G. William Whitehurst,
Floyd Spence,
Marjorie Holt,
Elwood H. Hillis,
Robert Badham,
Bob Stump,
Jim Courter,

As additional conferees, from the Permanent Select Committee on Intelligence, solely when differences regarding intelligence related activities are under consideration:

Lee H. Hamilton,
Louis Stokes,
Dick Cheney,

From the Committee on Education and Labor, solely for the consideration of sections, 711, 713, 910, 919, 933, 949, 2136 and 2137 of the Senate bill and section 1190 of the House amendment and modifications committed to conference:

Barry Goldwater,
Strom Thurmond,
John Warner,
Gordon J. Humphrey,
Bill Cohen,
Dan Quayle,
John East,
Pete Wilson,
Jeremiah Denton,

PHIL GRAMM,
SAM NUNN,
JOHN C. STENNIS,
GARY HART,
J.J. EXON,
CARL LEVIN,
EDWARD M. KENNEDY,
JEFF BINGAMAN,
ALAN J. DIXON,
JOHN GLENN,
Managers on the Part of the Senate.
AUGUSTUS F. HAWKINS,
WILLIAM D. FORD,
DALE E. KILDEE,
AUSTIN J. MURPHY,
W. L. CLAY,
PAT WILLIAMS,
JIM JEFFORDS,
BILL GOODLING,
THOMAS E. PETRI,
STEVE BARTLETT,
Managers on the Part of the House.

○